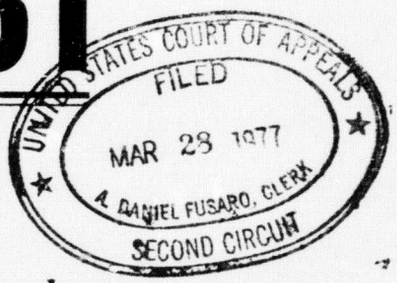
United States Court of Appeals

for the Second Circuit

EXHIBITS

No. 76-7631



In the

United States Court of Appeals

For the Second Circuit

ORECK CORPORATION, *Plaintiff-Appellee,* vs. **WHIRLPOOL CORPORATION and SEARS, ROEBUCK AND CO.,** *Defendants-Appellants.*	Appeal from the United States District Court, Southern District of New York. — Honorable **Richard Owen,** Judge Presiding.

BOOK OF EXHIBITS.

Gunthorp-Warren Printing Company, Chicago • Financial 6-6565

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E1 [illegible]TION

ADMINISTRATIVE CENTER • BENTON HARBOR, MICH[illegible]

EXHIBIT 5
DD
8/1/73 W.B.

August 7, 1963

P.EX-3.

Oreck Corporation
151 Central Park West
New York 23, New York 10023

RECEIVED
FEB 18 1972
LAW FIRM OF
MALCOLM A. HOFFMANN

Attention: Mr. David Oreck

Gentlemen:

1. We are pleased to advise that you are hereby appointed an authorized distributor of Whirlpool Corporation (herein called "Whirlpool") commencing with the effective date of this agreement as provided below and continuing for an initial term ending five (5) years from the date on which Whirlpool shall have completed shipment to you of five hundred (500) Products as herein defined or from the date of May 1, 1964, whichever date occurs first, (herein called the "Starting Date"), such term to be extended automatically for successive additional terms of one (1) year each, until terminated as hereinafter provided, it being agreed that either party will have the right to terminate this agreement at the end of the initial term or any subsequent one (1) year additional term by giving the other party hereto at least six (6) months prior written notice of such termination. Your appointment is upon the terms and provisions set forth herein.

2. While your distributorship is in effect, you are authorized by Whirlpool Corporation to distribute RCA WHIRLPOOL home vacuum cleaners of the portable type powered during use by connection to an ordinary 110 volt household electrical circuit and offered for sale by Whirlpool (herein called "Products"). By this letter Whirlpool is appointing you as its exclusive distributor for the Products and those component parts and accessories of such Products which are unique in application to and use with such Products for the United States of America and its possessions (herein called "merchandising area"). Whirlpool will manufacture, or have manufactured, Products to specifications mutually agreed upon between you and Whirlpool, and you agree that you will purchase the following minimum quantities of Products from Whirlpool during the periods of time designated below:

10,000	Effective date of this agreement through the first twelve month period following the Starting Date.
15,000	Second twelve month period following the Starting Date.
20,000	Third twelve month period following the Starting Date.
25,000	Fourth twelve month period following the Starting Date.
30,000	Fifth twelve month period following the Starting Date.
30,000	Each subsequent one (1) year additional term of this agreement.

3. You agree that, while your distributorship is in effect, you will select, develop, train and maintain a strong, aggressive dealer organization to sell the Products in your merchandising area in conformity with the high standards required of dealers serving the public with products manufactured by Whirlpool, it being agreed that you have the right to determine the localities in which you will sell the Products at the outset and where and when you will expand your selling activities. It is also agreed that you shall sell the Products only through a dealer organization, utilizing sub-distributors if you so elect, and that under no circumstances will any person, sub-distributor or dealer be permitted to solicit sales of the Products by any house-to-house canvassing method, it being understood that this restriction shall not prohibit home demonstrations or sales in response to requests for the same by prospective customers where such requests are made or received at the business premises of established dealerships.

4. You agree that it will be your responsibility as a Whirlpool distributor to further advance the sale of the Products by merchandising, advertising and promoting the Products in a manner consistent with Whirlpool's policies and in compliance with all federal, state and local laws, including applicable regulations of any governmental agencies, and that in the event of: (1) any failure by your company to comply with such laws or regulations; or (2) any such failure by your dealers, your sub-distributors or their dealers to comply with such laws or regulations where such failure results from lack of reasonable control by your company, Whirlpool shall have the right, other provisions of this agreement notwithstanding, to terminate this agreement

immediately upon written notice to you to that effect. It is also agreed that any use of Whirlpool's brand name RCA WHIRLPOOL, tradename or trademarks in promoting the sale of the Products shall be in the form and manner specified by Whirlpool. You further agree to maintain appropriate records with respect to your merchandising, advertising, and promotional expenditures, programs and activities, to review such records with Whirlpool and to furnish Whirlpool with copies of the reports on such records as Whirlpool may from time to time request.

5. It is vital to the successful merchandising of our Products that prompt, efficient, courteous repair service at reasonable prices be available to users of the Products at all times. It is agreed that one of your prime responsibilities as a Whirlpool distributor will be to make certain that this caliber of repair service is provided in your merchandising area in a manner acceptable to Whirlpool. In this connection, you agree to:

(a) Provide service to users of the Products by any one or more of the following means: (1) your own service organization; (2) through dealers who service the Products; or (3) through an independent service organization. It is understood that, whatever means you select to provide such service, the primary service responsibility remains with you and cannot be delegated. You further agree to provide competent personnel in your organization responsible for adequate training, supervision and administration for the type of service, or services, utilized in your merchandising area.

(b) Maintain an adequate inventory of FSP brand service parts in order that the type of service contemplated above can readily be provided in your merchandising area. In view of the importance of customer satisfaction to both you and to Whirlpool, and of maintaining the level of quality identified with the brand name RCA WHIRLPOOL, it is desirable that any repairs to the Products be made with parts, designed specifically for such Products. Accordingly, you agree, in fulfilling your service responsibilities to users of the Products to:

(i) Require, unless otherwise specifically instructed by Whirlpool, that servicing dealers and any service organization selected by you as a means of discharging your service responsibility use FSP brand service parts in repairing Products which are still in-warranty to assist Whirlpool in carrying out its warranty obligations; and

(ii) Have all orders for out-of-warranty replacement parts in which FSP brand service parts are requested filled with such service parts.

(c) The discharge of your service responsibilities as set forth in sub-paragraphs (a) and (b) above, must comply with Minimum Standards of Service Performance as determined and issued to you by Whirlpool. You also agree to furnish such reports concerning your service operations and performance as Whirlpool may, from time to time, request.

(d) While your Whirlpool distributorship is in effect, you agree to maintain complete records concerning warranty service, warranty registrations, and warranty reserve funds. Upon the expiration or termination of your distributorship, for whatever reason, all such records, both in-warranty and out-of-warranty, and the proper balance of the warranty reserve funds shall be promptly transferred to Whirlpool. Upon such transfer of records and funds, Whirlpool will fulfill, or cause the fulfillment of, the remaining warranty obligations covered thereby.

6. Whirlpool's warranty obligation on the Products sold to you hereunder shall be similar to the written warranties established by Whirlpool from time to time on other RCA WHIRLPOOL appliances sold by Whirlpool and presently carrying a parts replacement warranty of a maximum of one (1) year, but in no event shall Whirlpool be obligated to extend a warranty on such Products of broader scope or duration than that extended by other manufacturers on similar type vacuum cleaners.

7. It will be Whirlpool's responsibility to fill your orders for Products in accordance with this agreement; provided, however, that Whirlpool shall in no event have any liability for failure to fill such orders where such failure is due to: lack of available production facilities; the demands of other Whirlpool customers; strikes; casualties; lack of available transportation; acts of God; shortages; war; government regulations or other conditions beyond Whirlpool's reasonable control. It is understood that all orders which you may place from time to time are subject to acceptance at Whirlpool's principal office in Benton Harbor, Michigan in accordance with the provisions of this agreement.

8. Prices and terms of shipment of Products to you will be mutually agreed upon by you and Whirlpool from time to time. You have the sole right to determine your selling prices.

9. Credit terms applicable to purchases from Whirlpool will be determined by Whirlpool's Credit Department in Benton Harbor, Michigan. You will pay Whirlpool for all Products ordered by you from Whirlpool at the prices and upon the terms on which each such order is accepted by Whirlpool. In the event your payments to Whirlpool are in arrears, Whirlpool shall have the right to take the following action with respect to your orders if, in the opinion of Whirlpool's Credit Department, such action is necessary to protect Whirlpool's interests:

(a) Withhold shipments to you; or

(b) Make shipments to you on any other terms Whirlpool believes are required by the circumstances.

No Products shall be returned to Whirlpool without its prior consent in writing.

10. Should Whirlpool fail in fulfilling its responsibility to you by not maintaining the good quality of the Products or by not keeping the Products competitive, you will have the right to terminate your distributorship at any time upon not less than ninety (90) days' prior written notice to Whirlpool, which right shall be your sole remedy for such failure.

11. Whirlpool will, upon your request, provide you with a certificate from its insurance carrier evidencing the amount of product liability insurance coverage carried by Whirlpool.

12. Your distributorship may be terminated by Whirlpool prior to the expiration of its term in any of the following events:

(a) A deterioration in, or the inadequacy of, your financial resources to fulfill your purchase commitments or other obligations hereunder.

(b) Your disregard of, or unwillingness to adhere to, the provisions of this franchise and other merchandising or business policies of Whirlpool.

Any distributor who finds himself unable or unwilling to conform with these fundamental requirements will, in our opinion, not only have forfeited his own business opportunities, but he will have made it impossible to continue a satisfactory business relationship with Whirlpool. Accordingly, when any of these circumstances arise, we will call them to your attention and it is understood that your company will, thereupon, use its best efforts to resolve the matter over a period not exceeding sixty (60) days after they have been brought to your attention and if not resolved to Whirlpool's satisfaction by the end of such period, Whirlpool shall then have the right to terminate your distributorship immediately.

13. Any change in our relations with a distributor involves a major consideration of policy. It is as vital and important to Whirlpool as it is to the distributor. You may, therefore, be assured that when any of the circumstances referred to in sub-paragraphs (a) and (b) of paragraph 12, above, arise, they will not only be reviewed carefully with you but will receive the most judicious consideration by not less than three officers of Whirlpool before your distributorship is terminated.

14. In the event of failure by you to purchase the minimum quantity of Products as specified in paragraph 2 for any applicable time period, Whirlpool shall have the right to terminate this agreement at any time within sixty (60) days after the end of such time period by notice to you to that effect. In the event such failure is due to strikes, casualties, acts of God, shortages, war, government regulations or other conditions beyond your reasonable control, you shall have the right to correct such failure by purchasing the remainder of the minimum quantity of Products due for such applicable time period within ninety (90) days after the end of such applicable time period. In the event you fail to purchase such remainder within such ninety (90) days, Whirlpool shall have the right to terminate this agreement at any time within thirty (30) days thereafter

by notice to you to that effect. It is understood that the amount of such remainder shall not be counted in determining whether or not you have met the minimum quantity requirements for the applicable time period under paragraph 2 in which such remainder is actually purchased. It is further understood that termination of this agreement in accordance with this paragraph shall be Whirlpool's sole remedy for your failure to purchase the minimum requirements specified in paragraph 2. If any failure by you to meet the minimum quantity requirements of paragraph 2, or comply with the provisions of this paragraph 14, results from Whirlpool's inability to supply Products to you, Whirlpool shall not have the right to terminate this agreement under the provisions of this paragraph 14.

15. In the event your distributorship is terminated by Whirlpool for any reason, Whirlpool will purchase from you and you agree to sell to Whirlpool at your invoice cost (less any allowances granted by Whirlpool), plus freight if applicable, all Products remaining in original cartons, and all Whirlpool parts and accessories for such Products in your inventory when your distributorship terminates, less due allowance for damaged or obsolete inventory. Whirlpool further agrees, under such circumstances, to accept for return, literature and other sales promotion material that you have on hand, furnished to you by Whirlpool and that in the opinion of Whirlpool is current and usable by Whirlpool, and to reimburse you for such literature and material at your cost.

16. In the event of termination of your distributorship by you prior to the expiration of the term thereof, then Whirlpool shall have the right, at its option, to repurchase from you at your invoice cost (less any allowances granted by Whirlpool), plus freight if applicable, all Products and Whirlpool parts and accessories for such Products in your inventory when your distributorship terminates, less due allowance for damaged or obsolete inventory.

17. It is mutually agreed that customer satisfaction after the sale is of utmost importance. It is also mutually agreed that such customer satisfaction can best be attained by appropriate action at the local level. Therefore, it is understood and agreed that you will promptly take all steps reasonably required to deal with and resolve any customer complaints from users of the Products in your merchandising area to the satisfaction of the customer and Whirlpool.

18. You will furnish Whirlpool with the annual audit report of your company, including a balance sheet, statement of profit and loss and related statements, all properly certified by a Certified Public Accountant, or other accountant acceptable to Whirlpool. Whirlpool reserves the right to determine the competency of the Certified Public Accountant, or other accountants concerned. The annual audit reports shall cover your company and any subsidiaries or related companies.

whose activities, in our opinion, support or are related to your distribution of the Products. In addition, you will also furnish Whirlpool with such reports and other data concerning your financial status and activities as a Whirlpool distributor, as Whirlpool may from time to time request.

19. Because of the extreme importance of coordinating the sales and manufacturing activities pertaining to the Products, you agree to prepare, with the assistance of our sales representatives and on at least a semi-annual basis, forecasts of your sales of Products by dollar volume and by unit volume, and to furnish such forecasts to Whirlpool at least sixty (60) days prior to the period covered thereby, it being agreed that you shall have no liability for any inaccuracy in such forecasts or obligations to place orders in accordance therewith.

20. None of the rights under this agreement shall be subject to assignment, expressly, by operation of law or otherwise, without the prior written consent of Whirlpool. The term "assignment" as used herein shall include any event resulting in any change in the direct or indirect control of your company, including, without limitation of the foregoing, any such change in control resulting from the sale or other transfer of capital stock of, or of any other proprietary interest in, your company. In the event such an assignment occurs, without the prior written consent of Whirlpool, Whirlpool shall have the right, if it so elects, to consider such assignment an act of termination of your distributorship by you effective upon the occurrence of such assignment.

21. Any failure of Whirlpool to exercise any of its rights under this agreement at any time shall not be deemed as a waiver of such rights at any subsequent time.

22. This agreement, effective with the commencement of the term hereof, shall constitute the entire contract between you and Whirlpool relating to your Whirlpool distributorship and no agreement, understanding or representation of any kind made before the execution of this agreement shall be binding upon either party hereto unless incorporated herein. This agreement may not be extended, supplemented, or modified in any way except by a document in writing signed both by you and by an officer of Whirlpool in its behalf. It is further mutually understood and agreed that Whirlpool's liability, in the event it terminates your distributorship, will be limited to those obligations set forth in this agreement.

23. This agreement will become effective only upon, and on the date of, receipt by the writer at Benton Harbor, Michigan, of

a copy thereof signed by you, provided such copy is so received within forty-five (45) days after the date appearing at the beginning of this letter.

Very truly yours,

WHIRLPOOL CORPORATION

By _____

ACCEPTED:

ORECK CORPORATION
(Name of Distributor)

By _____
(Name and Title) President

Date August 7, 1963

E10

Whirlpool

CORPORATION

ST. PAUL DIVISION

June 14, 1963

Mr. S. J. Smith
Vice President
Whirlpool Corporation
Administrative Center
Benton Harbor, Michigan

SUBJECT: RCA-Whirlpool Vacuum Cleaner Program

Dear Bud:

Dave Oreck was here on Tuesday and Wednesday of this week with Jack Sparks, to further review the planning necessary for him to set up a distribution company handling floor care equipment.

His present intentions revolve around use of the former F-90 Whirlpool canister using the asymmetrical Power Mate attachments developed with Paul Schulz for Sears' slant panel line. Both of these items would completely avoid any aesthetics clash with the present Sears production.

Retail pricing would range from $89 to $179, emphasizing specialty selling through department stores.

It is our suggestion that after key items in the attached planning program are worked through, that we review costs and pricing with you and Jack Sparks, before final information and promise dates are given to Mr. Oreck.

Perhaps we can discuss this on Monday, June 24th. I will plan to bring all information available at that time.

Very best regards,

J. F. Bourquin
ms
Att.

cc: J. S. Sparks
G. Durran
K. W. Johnson

E11

Whirlpool

CORPORATION

ST. PAUL DIVISION

NEEDED PLANNING PROGRAM -- ORECK VACUUM CLEANERS

		Responsibility
1.	Preliminary Sales Release	K. Johnson
2.	Estimated Engineering (Cost -) (Time to date of Release)	A. Baillif & C. Pauler
3.	Overall Planning Calendar	K. Johnson
4.	Costs--per Sales Release and Prices	J. Bourquin
5.	Use of Sears rug nozzle.	J. Bourquin
6.	Franchise Arrangement	J. Sparks
7.	Use of Trade Mark RCA Quality Surveillance	J. Bourquin to Willemin A. Erickson
8.	Final Inventory Policy - billing	J. Sparks
9.	Aesthetics	C. Pauler
	Use 50,000 pcs. for amortization on 2 or 3 year items	
10.	Expedite U.L. Approvals	A. Baillif
11.	Internal Organization--St. Paul	A. Baillif
12.	Incorporation and Organization)	D. Oreck
13.	RCA Service Tie-in)	
14.	Service Parts - location - handling)	(later)

J. Bourquin
A. Baillif
K. Johnson
D. Oreck

6/14/63

Whirlpool CORPORATION

E12

9/11/73 pf

Administrative Center

P EX-19

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

March 1, 1968

Mr. David Oreck
President
McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana 70123

Dear David:

It is good to learn from your letter of February 23rd that your efforts are starting to pay off.

With all good wishes for an ever growing list of users, I am

Sincerely yours,

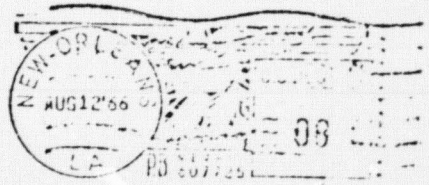
S. E. Sweet
Director
Residential & Commercial Department

SES:fmg

cc: Messrs. J. D. Sparks
J. F. Bourquin
J. D. Payne

McDONALD
SALES CORPORATION
5500 JEFFERSON HIGHWAY • NEW ORLEANS, LA 70123

MORE PEOPLE OWN ★★★
RCA VICTOR
★★★ THAN ANY OTHER TV



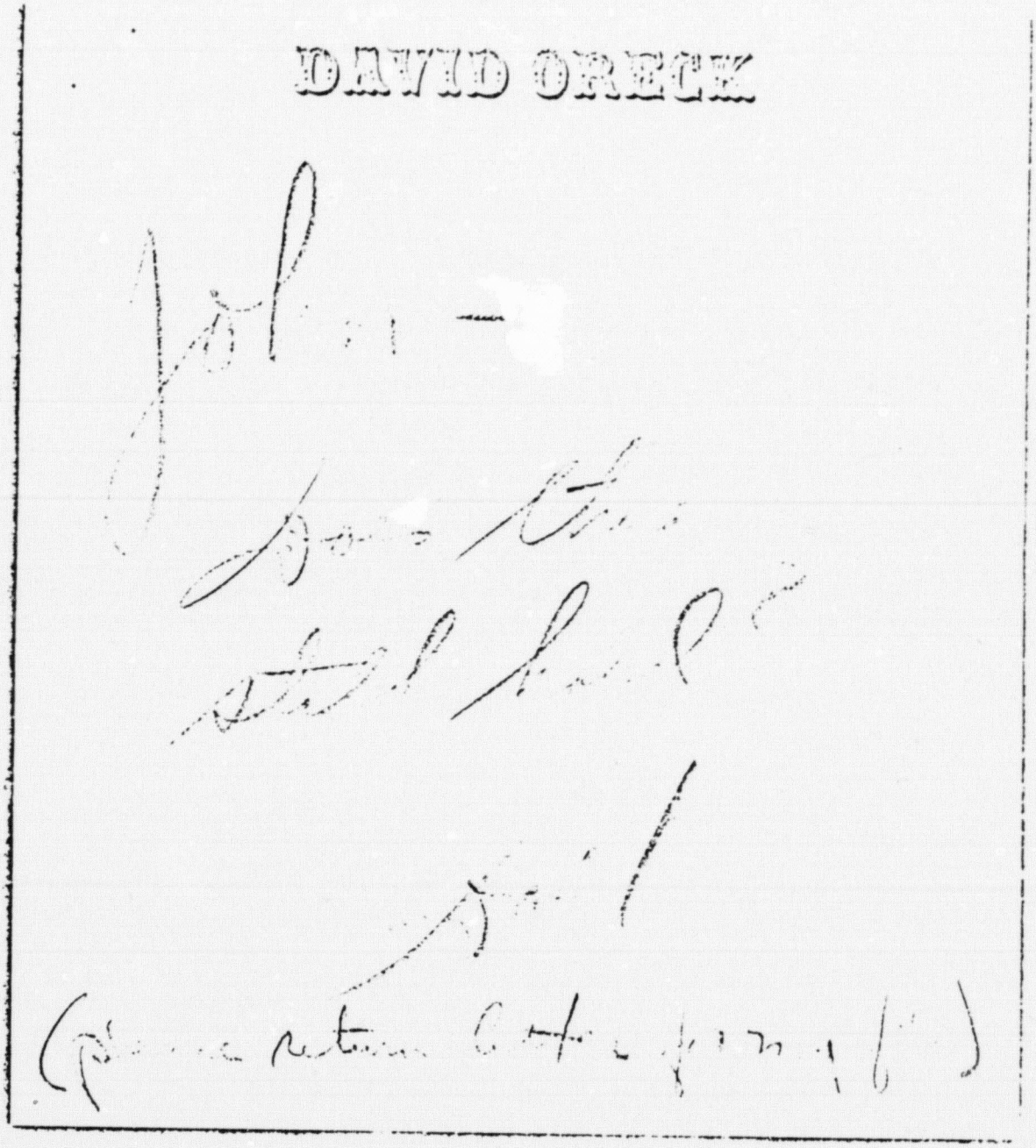
E13

PEX-26

Air

John Cooper
Whirlpool Corp
Attn: Arcadia SC
St Paul, Minn

DAVID ORECK



INTERNATIONAL DIVISION • BENTON HARBOR, MICHIGAN 49022, U.S.A. • CABLE: WHIRLPOOL

June 3, 1966

Mr. David Oreck
McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana 70123

Dear Mr. Oreck:

This will confirm our phone conversation concerning your proposed distribution of RCA WHIRLPOOL vacuum cleaners through the Syd W. Collier Company of 886 Queensway, Toronto 18, Ontario.

As explained in our conversation, all RCA WHIRLPOOL products are marketed in Canada through the channels of RCA Victor Ltd. at the following address:

RCA Victor Company Ltd.
1001 Lenoir Avenue
Montreal 30, Quebec, Canada
PH: (514) 933-7551

We have explained your interest to Mr. Maurice Blanchette at RCA Victor Ltd., and advised him that you would be in touch with him before proceeding further with arrangements in Canada.

We will appreciate your keeping us informed as matters progress.

Very truly yours,

Don H. Galloway

Don H. Galloway
Sales Manager

DHG/lc
cc: Central File

8/17/66

Do not want to get involved at this time with distribution of this product in Canada.

Lar

E16

P. EX-28

DUSTBANE
ENTERPRISE
LIMITED
P.O. BOX 381, T
OTTAWA 2, CAN
(613) 745 6861

OPERATING DIVISIONS:

DUSTBANE PRODUCTS

DUSTBANE MANUFACTURING

MODERN BUILDING CLEANING

BRUSHCRAFT

CONCRETE AND MASONRY RESTORATION

MERCURY MAINTENANCE

ONTARIO BUILDING CLEANING

WOODBOX BROS LIMITED

INDEPENDENT CLEANING SERVICES LIMITED

May 19th, 1967.

Crook Corporation,
195 Shippan Avenue,
Stamford, Connecticut, 06902.

Attention: Mr. Murray Fink,
Sales Manager

Dear Sirs:

We have now received the model number CVR 500 Magic Carpet Rug and Floor Vacuum Cleaner at our Ottawa office and have passed it along to our Marketing Division for their testing and examination.

In the meantime, we would be very interested in further information regarding your marketing policies and in particular, as they would currently apply to the Canadian market.

Dustbane Enterprises Limited, through its various divisions from coast to coast in Canada, has a very thorough distribution in the industrial field as well as the janitor supply houses.

With this in mind we would enquire as to the possibility of an exclusive Canadian distributorship in these marketing areas, and would appreciate further information from your department.

Yours very truly,

W. E. Dale,
Manager - Purchasing & Traffic.

WED/gb

E17

P. EX-29

DUSTBANE ENTERPRISES LIMITED
P.O. BOX 331, TERMINAL A
OTTAWA 2, CANADA
(613) 745-6261

July 9th, 1968.

OPERATING DIVISIONS:

DUSTBANE PRODUCTS

DUSTBANE MANUFACTURING

MODERN BUILDING CLEANING

BUSHCRAFT

CORNEIL VACUUM INDUSTRIES

MERCURY MAINTENANCE

TARBOX BROS. LIMITED

Oreck Corporation,
195 Shippan Avenue,
Stamford, Connecticut 06902
U.S.A.

Attention: Mr. Murray Fink

Dear Murray:

In reply to your letter of July 2nd, I am looking forward to hearing from you concerning the price on the C.V.R. 1000.

We have on hand now 95 C.V.R. 1000 and will be placing an order with you for five hundred (500) to be delivered as required i.e. approximately 75 to 100/month.

We are still awaiting for U.S.A. approval. The application is now being processed so we'll know shortly if there are any problems.

We will be in touch again shortly concerning the information on the equipment we discussed.

Yours sincerely,

G. W. McKendry,
General Sales Manager - Products

GWM/rb

E18

P EX-32

WHIRLPOOL CORPORATION

Contract Sales Division

MEETING REPORT

DATE:

March 4, 1970

VISITORS:

Mr. Marshall Oreck,
Vice President - General Manager
Oreck Corporation
18 Elmcroft Road
Stamford, Conn. 06902

Mr. Robert Miller
Regional Sales Manager
Oreck Corporation
3696 Lytle Road
Shaker Heights, Ohio 44122

PURPOSE OF MEETING:

I. Review Engineering Programs on CAP - 33 and CVR - 3000.

II. Obtain information relative to quality complaints arising from cover plate replacement program on CVR 1000s.

III. Review and Plan for LaPorte visit due 3/10.

IV. Miscellaneous

PRESENT FOR WHIRLPOOL:

Erwin Nordeen
Jack Jahnke
Arnie Erickson
Bob DeWitte

mwa

J.D. Payne

cc: J. Steeb
L. Holder
T. Scheitlin
A. O'Neal
A. Erickson
G. Gardner
M. Oreck
D. Oreck
J. Wooldridge
R. Deaux
E. Nordeen
J. Jahnke
R. DeWitte
W. Lameiux
J. Rabuse
R. Miller

I. ENGINEERING STATEMENT

CAP-33 [UL & CSA]
Oreck would prefer this in the Black CVR 2000 color scheme. Issue a use up stock paint change, etc.

CAP-33 powermate was reviewed and the following was agreed to:

a. Obtain U.L. as well as CSA approval

b. Grounding boss will be added to nozzle die casting and Heyco strain relief hold enlarged to accommodate a three-wire cord.

c. Cord will be secured to powermate handle tube at two places with a steel strap.

d. Polarized male and female electrical plugs will be utilized at rear end of swiveling curved handle tube. Male end will have a jacket covering termi for consumer protection.

e. Vinyl cord retainers will encircle hose to attach cord to the side. Spac approximately one and one-half feet apart.

f. Standard male plug will be utilized at canister end of cord.

g. Stock of harvard brown paint to be used up, then change to black paint. At same time change to black yokes. No obsolescence desired.

h. Go most expedient way to get back into production with CAP-33. Use Sears hose hooks with ends cut off and heat shrinkable tubing on male polarized plug if necessary.

CVR-3000 upright was also reviewed, and the following was agreed to:

a. Obtain CSA as well as U.L. approval.

b. Grounding boss will be added to nozzle die casting and Heyco strain relief hole enlarged to accommodate a three-wire cord.

c. Cord to be secured to handle tube with one steel strap.

d. Handle tube to be revised to accommodate larger Heyco strain relief for three-wire cord.

e. Switch plate to be zinc plated and have hole added for grounding connecti screw.

f. Rubber strain relief to be revised to accommodate three-wire cord

g. Switch plate screws to be changed to post nut and locking screw.

II. COVER PLATE REPLACEMENT QUALITY

A. Numerous field complaints, letters, and calls to cool line, indicate a number of replacement cover plates do not fit CVR 1000 cleaners in the field.

B. Suspected cause is that a dimple was added to the cover plate flange to take up the slack of the part at the time production from a new nozzle die was initiated.

C. Decision - Obtain parts of the old dimension- modify a group of second replacement coverplates to fit old dimension and forward to all those complaining of bad fit.

III. DETAILS REGARDING ATTENDANCE AT SERVICE PARTS MEETING IN LAPORTE 3/10

Jack Jahnke will be in LaPorte both Monday and Tuesday. He may ride back to O'Hare airport with Marshall and me.

Marshall will be in Chicago Monday. He will meet me Tuesday at O'Hare and ride to LaPorte.

I will call J. Steeb from O'Hare and advise him we're departing.

IV. MISCELLANEOUS

A. Crown Supply in Benton Harbor did not meet Oreck's requirements of a Servicing-Dealership and therefore another organization was given franchise to the Benton Harbor and St. Joseph area. This organization, "Dean Standard Floor Covering" has outlets in both cities; has purchased the necessary initial provision of spare parts with their first order for cleaners; and accepts the sales and service responsibilities.

Please note - the manager of Crown Supply was demanding central service and letters of assurance from the President of Oreck Corporation that this had been established. Were Benton Harbor a major metropolitan market this might have been specially set up, however, the size and needs of this market can best be handled by a servicing dealership which was established.

B. Oreck presented his sales program and literature samples as follows:

"Suggested Parts for Whirlpool Upright Cleaner Model CVR 2000 " ($45.58)

"Suggested List Price Vac Cleaner Parts"

"Confidential Price List Vac Cleaner Parts"

"New Sales Literature Spec. Sheet"

"A Flyer Announcing Our New Baby"

"A Description of Engineering Improvements Incorporated in the Whirlpool CVR 2000"

C. Engineering reviewed the cause for field failure of the first CVR 2000 field test unit from our very heavy usage field test. Cause was correct earlier in all regular CVR 2000 production but not in the pilot run. (A felt washer was undersize, etc.)

D. Engineering presented art work for molded handle. Oreck liked #2. Hol in handle is not important but the loss of cord storage is! Sales suggests re-emphasis on molding in some type of cord support in the rubb grip.

E. Oreck presented a copy of the University of California order for CVR 100 Note they waived their 3 wire spec. to accept our 2 wire product. Therefore U.L and CSA approvals should both apply to the CVR 3000 as a number will be sold in U.S. where 3 wire cords are specified.

F. Bring a set of coverplates and nozzle to LaPorte for H. Selm and John St

G. Oreck presented his revised CVR 2000 Sales Spec. Sheet. New colors give it more impact.

H. Oreck has established some Centralized Service Agencies in major metropolitan markets.

Minneapolis	Super Vacuum Supply 1101 West Broadway
	Jack Vacuum Cleaner Repair 45th & Lyndale Avenue So.
St. Paul	Super Vacuum Supply 224 West 7th Street
New York City	National Vacuum Supply Co.
Los Angeles	Louis Clark Corporation
San Francisco	Louis Clark Corporation
Phoenix	UPS to Louis Clark Corporation in L.A.
Denver	Universal Floor Machine

I. Oreck Corp. has adopted the changed use of the Whirlpool Logo on a use v stock, running change, basis. Notice the change is reflected in the co of Oreck's literature attached. He is also making a change on the direc mail 1/2 price offer per our request.

P. EX-34.

Telefax WESTERN UNION Telefax

SENDING BLANK

CALL LETTERS FGD

CHARGE TO

Mr. David Oreck, President
McDonald Sales Corporation
5000 River Road
New Orleans, La.

Apr. 15, 1970

I regret to advise that I am unable to obtain a waiver to the current franchise to permit Canadian marketing.

John D. Payne

Send the above message, subject to the terms on back hereof, which are hereby agreed to

PLEASE TYPE OR WRITE PLAINLY WITHIN BORDER—DO NOT FOLD

1269—(R 4-55)

PGX-36

E23

April 15, 1970

TO: John Payne
St. Paul Division

SUBJECT: Sale of Whirlpool-Oreck Vacuum Cleaner -- Canada

This is to confirm our phone conversation of yesterday.

To review, the decision has been made not to produce product for shipment to Canada at this time. Our Canadian subsidiary, John Inglis Company, Ltd., has expressed an interest in the sale of this product in Canada. Until such time as a final determination is made on this matter, the project will be held in abeyance. This decision is not irrevocable but will remain in effect until further notice is received from this office.

When advising the customer, we don't believe it is necessary or prudent to go into detail concerning the above. The same holds true for our other comments as reviewed on the phone yesterday.

Please confirm receipt of this memo and let me have a copy of your letter to the customer.

John G. Steeb

JGS:mj

E24

P.EX-37

DOMESTIC SERVICE
Check the class of service desired; otherwise this message will be sent as a full rate telegram
TELEGRAM
DAY LETTER
NIGHT LETTER

S
S
E

WESTERN UNION
TELEGRAM

1206 (4-35)

W. P. MARSHALL, PRES. SENT

INTERNATIONAL SERVICE
Check the class of service desired; otherwise the message will be sent at the full rate
FULL RATE
LETTER TELEGRAM
SHORE SHIP

NO. WDS.	CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Mr. John Steeb
Whirlpool Corporation
Ad Center
Benton Harbor, Mich.

Confirming our two phone conversations of Tuesday, April 14 I have sent wire to David and Marshall Oreck advising them of the fact that I was unable to obtain a waiver to current franchise to permit Canadian Marketing.

My customer had inquired from time to time and our study from the product and division standpoint indicated that a profitable marketing opportunity could be developed for a modest revision to our product.

Per your instructions I have notified my customer that we are unable to waiver franchise to permit Canadian marketing.

John Payne

WHIRLPOOL CORP BENTON HARBOR MICHIGAN 4/15/70

ATTN MR JOHN STEEB

CONFIRMING OUR TWO PHONE CONVERSATIONS OF TUESDAY APRIL 14 I HAVE SENT WIRE TO DAVID AND MARSHALL ORECK ADVISING THEM OF THE FACT THAT I WAS UNABLE TO OBTAIN A WAIVER TO CURRENT FRANCHISE TO PERMIT CANADIAN MARKETING

MY CUSTOMER HAD INQUIRED FROM TIME TO TIME AND OUR STUDY FROM THE PRODUCT AND DIVISION STANDPOINT INDICATED THAT A PROFITABLE MARKETING OPPORTUNITY COULD BE DEVELOPED FOR A MODEST REVISION TO OUR PRODUCT

PER YOUR INSTRUCTIONS I HAVE NOTIFIED MY CUSTOMER THAT WE ARE UNABLE TO WAIVER FRANCHISE TO PERMIT CANADIAN MARKETING

JOHN PAYNE
WHIRLPOOL CORP ST PAUL MINN

WHIRLPOOLBHR

WHIRLPOOL CORP BENTON HARBOR MICHIGAN 4/15/70

ATTN MR JOHN STEEB

THE FOLLOWING WIRE WAS SENT TO MR DAVID ORECK AND MR MARSHALL ORECK

"I REGRET TO ADVISE THAT I AM UNABLE TO OBTAIN A WAIVER TO CURRENT FRANCHISE TO PERMIT CANADIAN MARKETING"

JOHN D PAYNE
WHIRLPOOL CORP ST PAUL MINN

P. EX-38

Phone: 203-324-3350

ORECK CORPORATION

Exclusive National Sales Organization for RCA WHIRLPOOL Floor Equipment

195 SHIPPAN AVENUE, STAMFORD, CONNECTICUT 06902

December 5

Dave - I told John Payne while I was with him about Ozite and their success with our unit.

Yesterday Sol Sweet made a special trip to the builders show in Chicago to see if they were really using our unit to demo with the carpet. He found our units and talked with the people at the display. They said it was a great unit - the best they had seen. John said he was very very pleased.

Dustbane called today and said they sold out the first 100 CVR 600 units in less than a week and reordered 200 more plus 2000 dust bags. The first 100 to be shipped at once and the second 100 to arrive after Jan. 1 due to a property tax. They also ordeded a big parts list. Looks real good.

We have been notified that we are on the Govt. purchasing list and have already had a few inquires. Could be real big volumn.

We are very worried about the new Sears soft bag machine. Could be a big problem. Is there anything that can be done about what they sell it for?

Please rush the enclosed prize orders and the one for Cecila.

P.EX-39

97114

THIS NUMBER MUST APPEAR ON ALL PACKAGES, INVOICES AND CORRESPONDENCE.

TO. OREOK CORPORATION,
. 195 SHIPPAN AVENUE,
. STAMFORD, CONN.

SHIP TO. CONTROL VAC INDUSTRIES
. DOOR 76,
ATTN. HURDMANS BRIDGE
OTTAWA, ONTARIO

DATE. AUG 20/63

VIA. USUAL

PREPAID ☐ COLLECT ☐ F.O.B.

TERMS.

DATE REQUIRED. SEE BELOW

PLEASE SUPPLY THE FOLLOWING GOODS SUBJECT TO THE CONDITIONS SPECIFIED BELOW.

QUANTITY	DESCRIPTION	PRICE
	BLANKET ORDER TO BE TAKEN AS REQUIRED	
1000 ONLY	CYR 1000 CENTRICOL CLEANERS	32.20
4.44		
400 - 8/28/63 SR4773		
200 - 9/18/63 SR4864 CONFIRMATION ORDER ONLY	2/22/60 4773 100	
100 - 11/25/63 SR 5113	9/18/63 4864 200	
200 - 12/2/63 SR 5213	10/4/60 4992 200	
	11/25/63 5113 100	
ONTARIO PERMIT #11364041	12/2/63 5213-200	

PURCHASE ORDER

RECEIVED
AUG 23 1963
RECEIVED

TERMS AND CONDITIONS OF THIS ORDER

DELIVER NO GOODS WITHOUT A PURCHASE ORDER
ACKNOWLEDGE RECEIPT OF THIS ORDER SPECIFYING PRICES AND A DEFINITE SHIPPING DATE.
MAKE NO SUBSTITUTIONS OR CHANGES WITHOUT AUTHORITY FROM US
WE RESERVE THE RIGHT TO CANCEL THIS ORDER IF SHIPMENT IS NOT MADE AS PROMISED
THIS ORDER MUST NOT BE BILLED AT HIGHER PRICES THAN QUOTED

SPELLMAN MOORE BUSINESS FORMS LTD 150138

SIGNED W.E. DALE

BEST COPY AVAILABLE

Randall Young Associates
P.O. Box 238, Sta. A.,
Ottawa, Ontario

E28

IMPORTANT REQUEST

DATE Jun 12/69

Orock Corporation,
195 Shippan Avenue,
Stamford, Conn. U.S.A.

6/20/68	4773	100	97114
8/16/68	4964	200	97114
10/9/68	4992	200	97114
11/20/68	5133	100	97114
12/20/68	5217	200	97114
		800	

CONCERNING OUR ORDER NO. 97114 DATED Aug 20/68 YOUR REF. NO.

PLEASE ANSWER ITEMS CHECKED

		CK	REPLY
1	WHEN WILL YOU SHIP?		
2	PLEASE ACKNOWLEDGE RECEIPT OF ORDER STATING DELIVERY		
3	DID YOU SHIP ON DATE SHOWN ON ORDER? HOW?		
4	CAN YOU ADVANCE SHIPPING DATE PROMISED?		
5	WHY DID YOU NOT SHIP AS PROMISED?		
6	WHEN WILL REMAINDER OF ORDER BE SHIPPED?		
7			
8			

PROVINCIAL SALES TAX LICENSE NO.

		CK	REPLY
9	PLEASE MAIL INVOICE IN TRIPLICATE TO DAY		
10	PLEASE MAIL BILL OF LADING		
11	PLEASE MAIL FREIGHT BILL		
12	PLEASE SEND CORRECTED INVOICE		
13	PRICES DO NOT AGREE WITH QUOTATION		
14	PROVINCIAL / FEDERAL SALES TAX SHOULD NOT HAVE BEEN CHARGED		
15	PLEASE ISSUE CREDIT/DEBIT IN TRIPLICATE		
16	PLEASE CHECK YOUR PRICES		

FEDERAL SALES TAX LICENSE NO.

Please do not ship further on the above order until notification from our office.

Thank you.

FURCHASING AGENT
(Miss) B. Douglas

WHIRLPOOL CORPORATION

E29

Administrative Center

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

August 29, 1968

Mr. David Oreck
Oreck Corporation
195 Shippan Avenue
Stamford, Connecticut 06901

Dear David:

Attached herewith are two copies of the modified General Release and two executed copies of the amended Agreement between you and Whirlpool along the lines discussed in our phone conversation today.

Please execute the necessary copies and return them promptly.

With reference to Paragraph No. 2 in the Agreement, it is understood that from time to time you may find it necessary to request we consider making either of the two products described without the Whirlpool name. Such a request will, of course, be given proper consideration, but sole determination as to whether we build them or not remains with Whirlpool. Also, any and all costs in connection with the name change will be borne by you.

With all good wishes, I am

Sincerely yours,

S. E. Sweet
Director
Residential & Commercial Department

SES:fmg
Encls. - 4

cc: Mr. J. D. Sparks

E30 1-7-44

August 1, 1968

Agreement & General Release moved 8/29/68

Mr. David Oreck
ORECK CORPORATION
195 Shippan Avenue
Stamford, Connecticut 06901

Dear Dave:

As a definite offer to you, I am forwarding two copies of a General Release and two executed copies of an Agreement between you and Whirlpool, generally along the lines discussed in our recent telephone conversation.

Our offer is open for acceptance by you on or before August 31, 1968. If you are in agreement with the terms and conditions in the enclosed documents, kindly indicate your acceptance by executing and dating as shown, and returning one copy of the Agreement and one copy of the General Release to me before August 31, 1968.

Dave, I trust that you will find the Agreement and Release satisfactory in every way, but if you should have any questions please don't hesitate to give me a call.

Very truly yours,

S. E. Sweet
Director
Residential & Commercial Products

SES/cw
Encl. (2)

cc: J. Sparks

Whirlpool CORPORATION

E31

Administrative Center

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

August 1, 1968

ORECK CORPORATION
195 Shippan Avenue
Stamford, Connecticut 06901

Attention: Mr. David Oreck

Gentlemen:

1. We are pleased to advise that you are hereby appointed an authorized distributor of Whirlpool Corporation (herein called "Whirlpool") effective on the date of execution by you of this Agreement, and continuing for a term ending December 31, 1971, at which time this Agreement shall expire. Your appointment is upon the terms and provisions set forth herein.

2. While this Agreement is in effect, you are authorized by Whirlpool to distribute for household and domestic use, and for light commercial and light industrial use, the following specifically identified products (herein called "Products"): (i) Whirlpool Upright Vacuum Cleaner, Model No. CVR 1000; and (ii) Attachment hose and electric powered brush and nozzle assembly only for Whirlpool Canister Vacuum Cleaner, Model No. AP 8.

3. By this letter, Whirlpool is appointing you its exclusive distributor for the Products and those component parts and accessories of such Products which are unique in application to and use with such Products for the United States of America and its possessions (herein called "Merchandising Area"). Whirlpool will manufacture, or have manufactured Products as specifically identified above without change or modification, except as Whirlpool in its sole discretion shall elect to change or modify. You have advised us you estimate that you expect to purchase from Whirlpool 25,000 Model CVR 1000 units per year and 5,000 Model AP 8 units per year, although there is no commitment on your part to purchase any minimum quantity. Whirlpool requires a minimum of 90 days lead time for any production run of products, with each such production run consisting of at least 2,000 Model CVR 1000 units or at least 5,000 Model AP 8 units.

4. It is agreed that you shall sell the Products only to a dealer organization, utilizing sub-distributors if you so elect, and that under no circumstances will any person, sub-distributor, or dealer be permitted to solicit sales of the Products by any house-to-house canvassing method, it being understood that this restriction shall not prohibit demonstrations or sales in response to requests by prospective customers for the same if such requests are made or received at the business premises of established dealerships.

5. You agree that it will be your responsibility as a Whirlpool distributor in merchandising, advertising and promoting the Products to do so in a manner consistent with Whirlpool's policies and in compliance with all federal, state and local laws, including applicable regulations of any governmental agencies, and that in the event of (a) any failure by your company to comply with such laws or regulations, or (b) any such failure by your dealers, your sub-distributors or their dealers to comply with such laws or regulations where such failure results from lack of reasonable control by your company, Whirlpool shall have the right, other provisions of this Agreement notwithstanding, to terminate this Agreement immediately upon written notice to you to that effect. It is also agreed that any use of Whirlpool trademarks or the Whirlpool tradename in promoting the sale of the Products shall be in the form and manner specified by Whirlpool. You further agree to maintain appropriate records with respect to your merchandising, advertising, and promotional expenditures, programs and activities, to review such records with Whirlpool, and to furnish Whirlpool with copies of the reports on such records as Whirlpool may from time to time request.

6. It is vital to the successful merchandising of our Products that prompt, efficient, courteous repair service at reasonable prices be available to users of the Products at all times. It is agreed that one of your prime responsibilities as a Whirlpool distributor will be to make certain that this caliber of repair service is provided in your merchandising area in a manner acceptable to Whirlpool. In this connection, you agree to:

(a) Provide service to users of the Products by any one or more of the following means: (1) your own service organization; (2) through dealers who service the Products; or (3) through an independent service organization. It is understood that, whatever means you select to provide such service, the primary service responsibility remains with you and cannot be delegated. You further agree to provide competent personnel in your organization responsible for adequate training, supervision and administration for the type of service, or services, utilized in your merchandising area.

(b) Maintain an adequate inventory of FSP brand service parts in order that the type of service contemplated above can readily be provided in your merchandising area. In view of the importance of customer satisfaction to both you and to Whirlpool, and of maintaining the level of quality identified with the trademark WHIRLPOOL, it is desirable that any repairs to the Products be made with parts designed specifically for such Products. Accordingly, you agree, in fulfilling your service responsibilities to users of the Products, to:

(i) Require, unless otherwise specifically instructed by Whirlpool, that servicing dealers and any service organization selected by you as a means of discharging your service responsibility use FSP brand service parts in repairing Products which are still in-warranty to assist Whirlpool in carrying out its warranty obligations; and

(ii) Have all orders for out-of-warranty replacement parts in which FSP brand service parts are requested filled with such service parts.

(c) The discharge of your service responsibilities as set forth in sub-paragraphs (a) and (b) above must comply with Minimum Standards of Service Performance as determined and issued to you by Whirlpool. You also agree to furnish such reports concerning your service operations and performance as Whirlpool may, from time to time, request.

(d) While your Whirlpool distributorship is in effect, you agree to maintain complete records concerning warranty service, warranty registrations, and warranty reserve funds. Upon the expiration or termination of this Agreement, for whatever reason, all such records, both in-warranty and out-of-warranty, and the proper balance of the warranty reserve funds shall be promptly transferred to Whirlpool. Upon such transfer of records and funds, Whirlpool will fulfill, or cause the fulfillment of, the remaining warranty obligations covered thereby.

7. The warranty obligation of Whirlpool on the Products sold to you hereunder shall consist of a parts replacement warranty (excluding electric bulbs) on all products sold for household and domestic use for a maximum of one (1) year after date of original retail purchase, and on all products sold for light commercial and light industrial use for a maximum period of thirty (30) days after date of original retail purchase. Whirlpool assumes no obligation whatsoever for labor under the warranties herein specified.

8. There is an outstanding obligation by you to Whirlpool in the amount of Twenty-Four Thousand, Four Hundred Forty-Five Dollars ($24,445) for advertising and promotion expenses as of June 30, 1968. You agree to pay one-half of such amount yet unpaid as of the date of and simultaneously with the execution of this Agreement, and Whirlpool shall bill you and you agree to pay the remaining half of such amount yet unpaid at the rate of one percent (1%) of the cost of all Products purchased by you under the terms of this Agreement until such unpaid amount is paid in full.

9. It will be Whirlpool's responsibility to fill your orders for Products in accordance with this Agreement; provided, however, that Whirlpool shall in no event have any liability for failure to fill such orders where such failure is due to: lack of available production facilities; the demands of other Whirlpool customers; strikes; casualties; lack of available transportation; acts of God; shortages; war; government regulations or other conditions beyond Whirlpool's reasonable control. It is understood that all orders which you may place from time to time are subject to acceptance at Whirlpool's principal office in Benton Harbor, Michigan in accordance with the provisions of this Agreement.

10. Prices and terms of shipment of Products to you will be mutually agreed upon by you and Whirlpool from time to time. You have the sole right to determine your selling prices.

11. You will pay Whirlpool for all Products ordered by you from Whirlpool at the prices and upon the terms on which each such order is accepted by Whirlpool. You will receive invoices for Products as they are produced, and you agree to pay Whirlpool for such Products within ten (10) days after receipt by you of each such invoice. In the event your payments to Whirlpool are in arrears, Whirlpool shall have the right to take such action as is necessary to protect its interest. No Products shall be returned to Whirlpool without its prior consent in writing.

12. Whirlpool will, upon your request, provide you with a certificate from its insurance carrier evidencing the amount of Product liability insurance coverage carried by Whirlpool.

13. Your distributorship may be terminated by Whirlpool prior to the expiration of its term in any of the following events:

(a) A deterioration in, or the inadequacy of, your financial resources to fulfill your obligations hereunder.

(b) Your disregard of, or unwillingness to adhere to, the provisions of this franchise and other merchandising or business policies of Whirlpool.

If you are unable or unwilling to conform with these fundamental requirements, you will, in our opinion, not only have forfeited your own business opportunity, but you will also have made it impossible to continue a satisfactory business relationship with Whirlpool. Accordingly, when any of these circumstances arise, we will call them to your attention and it is understood that your company will, thereupon, use its best efforts to resolve the matter over a period not exceeding sixty (60) days after they have been brought to your attention and if not resolved to Whirlpool's satisfaction by the end of such period, Whirlpool shall then have the right to terminate your distributorship immediately.

14. Any change in our relations with a distributor involves a major consideration of policy. It is as vital and important to Whirlpool as it is to the distributor. You may, therefore, be assured that when any of the circumstances referred to in sub-paragraphs (a) and (b) of paragraph 13, above, arise, they will not only be reviewed carefully with you but will receive the most judicious consideration by not less than three officers of Whirlpool before your distributorship is terminated.

15. You shall have the right to terminate this Agreement with or without cause upon ninety (90) days' notice to Whirlpool in writing.

16. Upon the expiration of this Agreement on December 31, 1971, or in the event of termination of this Agreement by you or Whirlpool prior to the expiration of the term thereof, Whirlpool shall have the right at its option, to repurchase from you, and you agree to sell, at your invoice cost (less any allowances granted by Whirlpool) plus freight if applicable, all Whirlpool parts and accessories for such Products in your inventory when this Agreement terminates, less due allowance for damaged or obsolete inventory. Whirlpool shall have no obligation to re-purchase Products or advertising and promotional materials from you upon the expiration of this Agreement, or upon its termination at any time prior to December 31, 1971.

17. It is mutually agreed that customer satisfaction after the sale is of utmost importance. It is also mutually agreed that such customer satisfaction can best be attained by appropriate action at the local level. Therefore, it is understood and agreed that you will promptly take all steps reasonably required to deal with and resolve any customer complaints from users of the Products in your merchandising area to the satisfaction of the customer and Whirlpool.

18. Because of the extreme importance of coordinating the sales and manufacturing activities pertaining to the Products, you agree to prepare, with the assistance of our sales representatives and on at least a semi-annual basis, forecasts of your sales of Products by dollar volume and by unit volume, and to furnish such forecasts to Whirlpool at least one hundred and twenty (120) days prior to the period covered thereby, it being agreed that you shall have no liability for any inaccuracy in such forecasts or obligations to place orders in accordance therewith.

19. None of the rights under this Agreement shall be subject to assignment, expressly by operation of law or otherwise, without the prior written consent of Whirlpool. The term "assignment" as used herein shall include any event resulting in any change in the direct or indirect control of your company, including, without limitation of the foregoing, any such change in control resulting from the sale or other transfer of capital stock of, or of any other proprietary interest in, your company. In the event such an assignment occurs, without the prior written consent of Whirlpool, Whirlpool shall have the right, if it so elects, to consider such assignment an act of termination of your distributorship by you effective upon the occurrence of such assignment.

20. Any failure of Whirlpool to exercise any of its rights under this Agreement at any time shall not be deemed as a waiver of such rights at any subsequent time.

21. You agree to release and do hereby release Whirlpool of any and all obligations whatsoever arising out of all prior relationships between you and Whirlpool as evidenced by a General Release executed by you simultaneously with the execution of this Agreement, a copy of which is attached hereto and made a part hereof.

22. It is mutually agreed between you and Whirlpool that the distributor agreement dated August 7, 1963 is terminated, rescinded, and superseded simultaneous with the execution by you of this Agreement. It is further understood that this Agreement has been prepared and entered into by Whirlpool at your request in view of benefits you expect will accrue to you. It is mutually understood and agreed that Whirlpool, during the term of this Agreement and upon its expiration or termination for any reason whatsoever and regardless of how terminated, will not and does not assume, nor shall it incur, any liability for any costs, expenses, obligations, or expenditures of any kind whatsoever incurred by you during the term of this Agreement in connection with, but not limited to, sales, promotion, advertising, or operation activities in your distribution of Products purchased by you under this Agreement.

23. This Agreement shall constitute the entire contract between you and Whirlpool relating to your Whirlpool distributorship and no agreement, understanding or representation of any kind made before the execution of this Agreement shall be binding upon either party hereto unless incorporated herein. This Agreement may not be extended, supplemented, or modified in any way except by a document in writing signed both by you and by an officer of Whirlpool in its behalf.

24. If these terms and conditions as set forth herein are acceptable to you, please execute, date, and return one copy of this letter to us, whereupon it shall constitute an Agreement between the parties hereto.

Very truly yours,

WHIRLPOOL CORPORATION

By: _____
Jack D. Sparks
Group Vice President

ACCEPTED:

ORECK CORPORATION

By: _____
David Oreck
President

Date: _____

GENERAL RELEASE

WHEREAS, ORECK CORPORATION, a _____ corporation, with its principal office at Stamford, Connecticut, and DAVID ORECK personally (both herein collectively called "Oreck") and WHIRLPOOL CORPORATION, a Delaware corporation (herein called "Whirlpool"), have engaged in certain business activities, and disputes have arisen between Oreck and Whirlpool in connection therewith; and

WHEREAS, said parties have by mutual agreement compromised and settled all such disputes:

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, Oreck does hereby, for itself and for himself, its and his successors and assigns, release and forever discharge Whirlpool, its subsidiaries, affiliates, successors and assigns, and its and their stockholders, directors, officers, employees and agents, and each of them, from all claims, demands, liabilities, actions, causes of action and suits, whether presently known or unknown, suspected or unsuspected, at law or in equity, of whatsoever kind and nature, now accrued or at any time hereafter to accrue, for or because of any matter or thing whatsoever done, omitted or suffered to be done by them, or any of them, at any time prior to and including the date hereof.

IN WITNESS WHEREOF, ORECK CORPORATION, by authority of its Board of Directors, has caused this instrument to be executed in its

corporate name by its President, and its corporate seal to be hereto affixed and attested by its Secretary, and DAVID ORECK personally has executed this instrument, at _____, _____, this _____ day of _____, 1968.

ORECK CORPORATION

By: _____
David Oreck
President

(SEAL)

ATTEST:

_____
Secretary

_____
DAVID ORECK

_____
Witness

_____
Date

PEX-45

June 27, 1966

J. Sparks:

Subject: Oreck Vacuum Cleaner Business

I have reviewed the information and memos you recently forwarded to me with respect to subject business.

You asked three questions: (1) Do we turn Oreck "off;" (2) "on;" (3) maintain "status quo." I'm not sure that I can answer any one of the three without a review of what is involved in the way of engineering, tooling, management time, etc., vs. the return to Whirlpool Corporation.

Perhaps the time is here for a comprehensive assemblage of the facts and a review of them. We already know that the two main points of interest Whirlpool had in the program that Oreck proposed have virtually disappeared. The first was our hope that a new, more direct (factory to customer) method of distribution could be disclosed that could sell a higher priced "ticket item" ala Electrolux. Oreck's entire approach was geared to this premise. This has never developed and, as a matter of fact, our average billing price to Oreck is now down to $27.81 per unit. This not only falls about as far short of objectives as possible, but is almost $5.00 less than our average billing price to Sears for the year to date ($32.54). Secondly, it was our thought that if the anticipated "Customer Direct - Higher Priced" distribution system came into being that it could be used to distribute such products as portable humidifiers, etc. that -- initially, at least -- did not seem to lend themselves to our present form of two-step distribution. This would not now appear to be a likely development and I would have to recommend against adding any further products to the system of distribution as it presently exists.

It seems to me, also, that there is a shift in our customer emphasis away from the originally planned department store approach (with home follow-up) toward the commercial sales areas (hotels, motels, etc.). I've expressed my concern on several occasions as regards the quality and life endurance of our floor care products

when used for this application. In addition, I don't believe we can compete in a broad line manner with companies such as Clark and others who are specialists in this field without an entire new commercial-oriented product planning approach. This would be a new business entailing substantial development and tooling expense. We are just participating on the fringe of it at the moment, with a product that is essentially domestic in character.

I won' take the time here to present the many other questions th.. occur to me -- I'll wait for our meeting. Suffice it to say that we must maintain our perspective as regards why we were originally interested in this venture -- what 20,000 units does or doesn't do for us compared to 550,000 for Sears -- how much management attention we can justify for the profit involved, etc.

John H. Platts
nd

cc: J. Wooldridge
G. Evans

P. S. Needless to say, we shouldn't consider for a moment authorizing Oreck to operate in Canada.

E41

PX 46

Whirlpool Corporation St. Paul Division
850 ARCADE STREET ST. PAUL, MINNESOTA 55106

January 12, 1970

Mr. David Oreck
c/o McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, La.

SUBJECT: Accumulative Total Shipments

Dear Dave:

Attached are xerox copies of an updated shipment total summary which I prepared for you over the past several years.

While the old franchise is dead and the quantity requirements shown under franchise are obsolete I feel that the f ure of total electric cleaners shipped would be important to you as it is to us. It appears that during the month of January, 1970 we will ship the 100,000th electric cleaner into your distribution system. Congratulations on achieving this historic milestone.

Best regards,
WHIRLPOOL CORPORATION

John D. Payne,
Product Manager
Contract Sales Division

JDP:mwa

cc : Marshall Oreck
John Steeb

TABLE I E42

Updated 4/8/66
7/11/66
4/26/67

RCA-WHIRLPOOL VACUUM CLEANERS
SHIPPED FOR
ORECK CORPORATION

FRANCHISE QUANTITY CALCULATIONS
Starting Date after Shipment of 500 Products

	Month	Total Elec. Vacs	Total Elec. Attach.	Total Products Per Month	Accum. Total Products	Required Franch. Quant.	Excess of Franchise Requirements
Beginning Point	Jan.'64	41	- -	41	41		
	Feb.'64	212	199	411	452		
	Mar.'64	402	+ 236	= 638	1,090		
Starting Date	Apr.'64	528	+ 492	= 1,020	2,110		
	May '64	198	+ 164	= 362	2,472		
	June'64	207	+ 129	= 336	2,808		
	July'64	905	+ 647	= 1,597	4,405		
	Aug.'64	-192	+ 8	= -184	4,221	10,000	
	Sep.'64	240	+ 210	= 450	4,671		
	Oct.'64	3,984	+ 932	= 4,916	9,587		
	Nov.'64	2,589	+ 156	= 2,745	12,332		
	Dec.'64	917	+ 147	= 1,064	13,396		
	Jan.'65	606	+ 4	= 610	14,006		
	Feb.'65	1,340	+ 464	= 1,804	15,810		
	Mar.'65	1,574	+ 365	= 1,939	17,749	- 10,000 =	7,749
	Apr.'65	443	+ 14	= 457	18,206		
	May '65	1,281	+ 154	= 1,435	19,641		
	June'65	1,055	+ 2	= 1,057	20,698		
	July'65	721	+ 4	= 725	21,423		
	Aug.'65	874	+ 4	= 878	22,301		
	Sep.'65	1,289	+ 21	= 1,310	23,611	15,000	
	Oct.'65	1,271	+ 315	= 1,586	25,197		
	Nov.'65	2,069	+ 237	= 2,306	27,503		
	Dec.'65	1,386	+ 93	= 1,479	28,982		
	Jan.'66	780	+ 27	= 807	29,789		
	Feb.'66	1,257	+ 84	= 1,341	31,130		
	Mar.'66	1,627	+ 281	= 1,908	33,038	- 25,000 =	8,038
	Apr.'66	1,389	+ 136	= 1,525	34,563		
	May '66	1,579	+ 161	= 1,740	36,303		
	June'66	1,262	+ 122	= 1,384	37,687		
	July'66	772	+ 89	= 861	38,548		
	Aug.'66	1,285	+ 371	= 1,656	40,204		
	Sep.'66	1,057	+ 54	= 1,111	41,315	20,000	
	Oct.'66	1,791	+ 428	= 2,219	43,534		
	Nov.'66	723	+ 2	= 725	44,259		
	Dec.'66	81	+ 20	= 101	44,360		
	Jan.'67	618	+ 17	= 635	44,995		
	Feb.'67	663	+ 34	= 697	45,692		
	Mar.'67	694	+ 49	= 743	46,435	- 45,000 =	1,435

FIRST TWELVE MONTH PERIOD (Ten Thousand)

SECOND TWELVE MONTH PERIOD (Fifteen Thousand)

THIRD TWELVE MONTH PERIOD (Twenty Thousand)

NOTE: The above figures exclude the AS-10 Attachment Kits, but they do include the AP-18 Electric Attachment and AP-8 Electric Attachment.

CONTINUATION

OF

TABLE I

This page reissued
8/23/67
This page reissued
6/17/68
This page reissued
1/1/70

RCA-WHIRLPOOL VACUUM CLEANERS
SHIPPED FOR
ORECK CORPORATION

FRANCHISE QUANTITY CALCULATIONS
Starting Date after shipment of 500 Products

	Month	Total Elec. Vacs.		Total Elec. Attach.		Total Products Per Month*	Accum. Total Products	Required Franchise Quant.	Excess of Franchise Requirements
Date	Apr.'67	431	+	329	=	760	47,195		
	May '67	1,510	+	38	=	1,548	48,743		
	June'67	401	+	24	=	425	49,168		
	July'67	536	+	51	=	587	49,755		
	Aug.'67	600	+	14	=	614**	50,369		
	Sep.'67	564	+	21	=	585	50,954	25,000	
	Oct.'67	862	+	200	=	1,062	52,016		
	Nov.'67	783	+	142	=	925	52,941		
	Dec.'67	977	+	101	=	1,078	54,019		
	Jan.'68	631	+	0	=	631	54,650		
	Feb.'68	978	+	17	=	995	55,645		
	Mar.'68	615	+	104	=	719	56,364 --	70,000 =	(-13,636)
	Apr.'68	585	+	10	=	595	56,959		
	May '68	1,228	+	125	=	1,353	58,312		
	June'68	1,407	+	125	=	1,532	59,844		
	Jul.'68	1,609	+	25	=	1,634	61,478		
	Aug.'68	1,203	+	97	=	1,300	62,778		
	Sep.'68	1,344	+	201	=	1,545	64,323	30,000	
	Oct.'68	1,818	+	339	=	2,157	66,480		
	Nov.'68	918	+	29	=	947	67,427		
	Dec.'68	1,770	+	139	=	1,909	69,336		
	Jan.'69	1,246	+	120	=	1,366	70,702		
	Feb.'69	1,176	+	27	=	1,203	71,905		
	Mar.'69	1,936	+	330	=	2,266	74,171 -	100,000 =	
	Apr.'69	2,447	+	512	=	2,959	77,130		
	May '69	1,586	+	125	=	1,711	78,841		
	June'69	1,129	+	175	=	1,318	80,159		
	July'69	2,189	+	457	=	2,646	82,805		
	Aug.'69	2,690	+	847	=	3,537	86,342		
	Sep.'69	2,582	+	525	=	3,107	89,449		
	Oct.'69	2,752	+	303	=	3,055	92,504		
	Nov.'69	2,442	+	525	=	2,967	95,471		
	Dec.'69	2,877	+	243	=	3,120	98,591		
	Jan.'70								
	Feb.'70								
	Mar.'70								

Fourth Twelve Month Period

Fifth Twelve Month Period

Sixth Twelve Month Period

P. EX-4

E44

Whirlpool CORPORATION

Administrative Center

BENTON HARBOR, MICHIGAN 49022

J. M. WOOLDRIDGE
ASSISTANT TO THE
CHAIRMAN AND PRESIDENT

January 27, 1970

Mr. David Oreck
President
McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana

Dear Dave:

Your letter of January 19 to Jack Sparks has been passed on to me and, at the front end, let me say congratulations on selling your first "100,000!"

As to your using the Whirlpool Tech-Care Service agents, I have asked Steve Upton, who, I believe you know, handles all of this end of our business, to check with his service people around the country to find out whether or not they are in a position to handle vacuum cleaners.

Just as soon as I get the answer from Steve, I will be back in touch with you.

Best personal regards,

J. M. Wooldridge
mch

cc - John Payne

John Payne - Price upgrade ... Communications problem ... with Oreck.
GD 5/6/69

ORECK CORPORATION / E45 efeller Plaza / New York, N.Y. 10020 / LT 1-0743

Exclusive National Distributor
Whirlpool *Home Cleaning Systems*

P.EX-50

May 2, 1969

Mr. John Payne
Whirlpool Corporation
850 Arcade Street
St. Paul, Minnesota

Dear John:

Confirming our discussions here in New Orleans, we will accept the substitute for our model AP18 to be produced later this year. It is understood, however, that we do require an AP18 that is essentially the same design as our present model. I refer specifically to the asymmetric shape of the cleaning head.

As discussed, when updating our present AP18, you will endeavor to make the head interchangeable so that it could be used in our CVR1000 style cleaner.

I am pleased, as I am sure you are, with the rather incredible growth in sales that we're enjoying. I believe the past month was the biggest in our history.

We have passed another landmark, too. We now have more than 50,000 Whirlpool upright cleaners in use! Counting all models, our total sales should approach 100,000 units by the end of the year.

Kindest personal regards,

David Oreck

P. S. As you can see from the enclosed, our long hard work with the Ozite Corporation has paid off. Their "final recommendation" for cleaning Ozite carpet is our CVR1000. We are working with other manufacturers for similar endorsements.

cc: Bit Holder
Jack Wooldridge

Copies to:
W. Deaux
T. Scheitlin
A. Erickson
R. DeWitte

Other

Original retain
by J. Payne
DATE: 5/9/69

November 14, 1968

Ozite Corporation
7-120 Merchandise Mart
Chicago, Illinois 60654

Dear Sir:

Three years ago when we built a new home we felt that your Ozite carpeting would be the answer to many problems. Namely children, pets and the mud that comes with country living. So we carpeted the entire house in Ozite.

Now I find myself almost unable to wait until the day I can replace it with anything else. My problem is cleaning it. I have yet to find a vacuum that can pick up the lint and lint we have plenty of. Our house is only 1,176 square feet but it takes from two to three hours each time I vacuum.

If you can offer any suggestions to us we would be delighted. Right now we are using the Sunbeam Indoor/Outdoor Vac with converter and regular tank type accessories. This one seems to have the best suction but only when we convert it down to a normal attachment. It works better than any we have found to date but is back-breaking work.

Sincerely,

Mrs. William A. Wilcon
Box 826
Tabernash, Colorado, 80478

Ozite
CORPORATION
9-120 MERCHANDISE MART, CHICAGO, ILL. 60654

December 3, 1968

Mrs. Wm. Wilson
Box 485
Tabernash, Colo. 80478

Dear Mrs. Wilson:

Thank you for your letter of November 14, wherein you relate the problems you have encountered with your Ozite carpeting.

We are enclosing a copy of our Care & Maintenance Manual which will give you tips on cleaning and caring for Ozite. We also suggest that you try using "Glory" which is a heavy foam shampoo put out by Johnson Wax.

We have done considerable work with all types of vacuum cleaners, and our final recommendation is that you try an RCA-Whirlpool, Model #CVR1000, which is a light-weight, high-speed, upright cleaner.

Sincerely,

OZITE CORPORATION

Orval F. Zirzow
Customer Relations Department

OFZ:ls
Enc.

DAVID ORECK

E48

PEX 51

5500 Jefferson Highway
New Orleans, Louisiana
September 15, 1969

Messrs. Elisha Gray, II
& Jack Sparks
Whirlpool Corporation
Whirlpool Administrative Center
Benton Harbor, Michigan 49022

Dear Bud & Jack:

HAPPY DAY!

Yesterday we received our first solid freight car of Whirlpool vacuum cleaners. Today, everyone of them have been sold! And the inventory in St. Paul is zero.

Projecting our current weekly sales, we should sell 40,000 units in the next 12 months. Our total number of units in use should reach the 100,000 mark soon. Whirlpool vacuum cleaners are in daily use in hotels, motels, schools, hospitals, banks, churches, movie studios, restaurants, etc. I've attached a partial list.

The American Telephone & Telegraph Company wrote to all of its plants throughout the United States and advised their plant managers to purchase our Whirlpool CVR1000 vacuum cleaner. This recommendation was based on AT&T's own tests of our equipment.

I've never lost faith in our ability to carve a niche for Whirlpool in the vacuum cleaner business. I am deeply grateful for your faith in me some years ago when I started this endeavor and hope that our progress vindicates your judgment.

Kindest personal regards,

David Oreck

DO:af

Encls.

P. Ex 51

(0169-07-170)

SUBJECT: Buildings-Vacuum Cleaner

American Telephone
& Telegraph Company
195 BROADWAY, NEW YORK, N.Y. 10007
212 393-9600

FILE NO

DATE July 22, 1969

TO: General Plant Managers

FROM: Plant Operations Director

SYNOPSIS: The large volume of carpeting in the Bell System prompted the need for a light, effective vacuum cleaner for areas too small to warrant the use of a large commercial machine.

x x x x x

During the past year and a half or so, the use of carpeting in the Bell System has increased to a point which calls for an appropriate vacuum cleaner that would be light enough to carry from place to place with little or no effort. It should also be sturdy enough to withstand the normal wear and tear that this machine would be subjected to in everyday commercial service. Such a machine was field and lab tested with better than average results. It is known commercially as the Whirlpool CVA-1000. This is a small 8 pound, high speed motor machine that can be effectively used on carpeted stairs, private offices, elevator cabs, hallway runners, etc.

It has a very low silhouette which permits its use under short legged desks, tables, benches and the like. For short napped carpets, which this office recommends, this vacuum cleaner performed much better than comparable machines.

E50

P. EX-52

Whirlpool Corporation St. Paul Division
850 ARCADE STREET ST. PAUL, MINNESOTA 55106

May 13, 1969

Mr. David Oreck
c/o McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana

Dear Dave:

Replying to your letter of May 2nd, progress looks just great. During the months of December through April of this year you are nearly triple the sales of the preceding like period on the upright model alone. Also, the current AP-18 volume continues to break your past records.

During my presentation we advised all of the factors which make the decision to discontinue the current Model AP-18 to be the only prudent business decision that could be reached under these circumstances of tool and design life. On Friday, May 9th, we reviewed these same conditions with Marshall and presented the proposed follow-on model to perform the same function of the retired AP-18. During this meeting we viewed the proposed model (with a chrome plated upper dust tube), which you suggested during my visit in New Orleans. This does change the appearance and improves the aesthetic treatment considerably. Marshall requested that we prepare some samples in black as well as in the deep, dark gray-brown color associated with the nozzle of the old Model AP-18. This we will do, and will go over it with both you and Marsh in the early future.

Regards,

John D. Payne
Product Manager
Contract Sales Division

lm

[illegible] CORPORA[illegible]

E51

P.EX-55

OFFICE OF THE
PRESIDENT

EXCLUSIVE NATIONAL SALES ORGANIZATION
Whirlpool CLEANING EQUIPMENT

April 30, 1971

Mr. Elisha Gray II
Whirlpool Corporation
Whirlpool Administrative Center
Benton Harbor, Michigan 49022

Dear Bud:

I hope you're as pleased as I am with the enclosed report.

It was April 10, 1963, eight years ago, that Jack Sparks relayed your suggestion of my rekindling the Whirlpool vacuum cleaner business. We had some difficult problems, but the years of hard work are now producing the results we all hoped for.

I look forward to future sales in the years ahead with confidence.

Respectfully,

David Oreck

DO:af

cc: Jack Sparks

10 ELMCROFT ROAD • STAMFORD, CONNECTICUT 06902 • 203-324-3350

ORECK CORPORATION

OFFICE OF THE PRESIDENT

EXCLUSIVE NATIONAL SALES ORGANIZATION CLEANING EQUIPMENT

April 30, 1971

TO: Elisha Gray II

FROM: David Oreck

8th Anniversary Report ... The Rise of Whirlpool Vacuum Cleaners

Sales ... Currently 3,000 units per week.

Sales estimates for 1971 ... 70,000 - 80,000 units. 1961 sales (Whirlpool's last full year) were 38,000.

(Oreck) Whirlpool units in use ... 150,000.

Active Wholesale Distributors ... 945. These are distributors in the janitorial supply field. They also service what they sell.

Stocking Parts Distributors ... 400. Our Whirlpool parts purchases exceed $100,000 a year.

Service Offices ... 200 (in addition to the 945 servicing distributors).

Institutions and businesses using our units ... 15,000 different hotels, hospitals, businesses etc. use Whirlpool vacuum cleaners. These include AT&T, the Smithsonian Institute and many of America's most renown hotels.

Outstanding customer complaints ... Zero! 100% customer satisfaction or money refunded promptly.

"Cool Line" customer reports are excellent on Whirlpool vacuum cleaners.

P. EX60

PEX60

E53

Jack Sparks:

Please note attached

pursuant to our

officers meeting

conversation; do you

have any further thoughts

on how we might

influence Oreck to

stop this kind of

advertising? Jm 4/13

E54

Date: 4/13

To: J. Potts

From: DON RANUM

John - In the light of the conversation about Oreck I thought you possibly would be interested in the attached.

Don

Mr. P - more anent Oreck -- we received a letter from the Florida University Dept. of Consumer Protection complaining about Oreck and implying that this kind of solicitation was highly unethical. Then, just one day later, we got a letter from Sid Boyar in which he forwarded a letter from "an old friend of Whirlpool" who ~~also thought this~~ had received an Oreck offer and also thought this type of selling gave Whirlpool a bad name.

In first instance, asked Mr. Ranum to reply to Florida University -- but gave Mr. Boyar's to Mr. Willemin who said he'd "answer in your absence"

Whirlpool

[redacted] CORPORATION

Exclusive National Sales Organization for WHIRLPOOL Floor Equipment

18 ELMCROFT ROAD, STAMFORD, CONNECTICUT 06902

Donald T. Ranum
Whirlpool Corp.
Administrative Center
Benton Harbor, MI 49022

E55

E56

ORECK CORPORATION

18 Elmcroft Road / Stamford, Connecticut 06902 / 203-324-3350

Exclusive National Distributor
Whirlpool *Vacuum Cleaners*

IMPORTANT NOTICE TO REAL ESTATE EXECUTIVES

We will send you a new WHIRLPOOL appliance at HALF price

Gentlemen:

The Whirlpool Corporation has patented a remarkable new hi-speed upright vacuum cleaner that we GUARANTEE to clean the new indoor-outdoor and kitchen carpets in a single stroke. It weighs only 9 lbs!

The Ozite Corporation has thoroughly tested this product and found it to be "remarkably effective."

This machine is equally effective on ALL CARPETS and will clean bare floors without attachments or adjustments.

Whirlpool vacuum cleaners are not sold through appliance or department stores. They are distributed exclusively by Hotel Supply Distributors. Every major hotel in New York City (such as Hilton, The Americana, Regency, Waldorf-Astoria, etc.) uses this new Whirlpool upright....as well as leading hotels and institutions throughout America.

The CVR-2000 is constructed of cast aluminum and steel, yet the entire machine weighs only 9 lbs! An automatic safety cut-off switch turns off the machine if it becomes obstructed. This protects against motor burnout.

Hotels and institutions pay $93.60 for this unit. As a Real Estate Executive, you may purchase ONE only at 50% off, or $46.80 --- Exclusively for your personal use.

Availability at this price is guaranteed for 15 days from the time you receive this letter.

Send your check for $46.80 payable to Oreck Corporation (Whirlpool's Exclusive National Wholesale Distributor for Vacuum Cleaners), and the Whirlpool CVR-2000 upright cleaner will be sent to you promptly (F.O.B. our warehouse).

We guarantee this product to be the most effective you have ever used, or your money promptly refunded.

Sincerely yours,

D. Oreck

David Oreck
President

REAL ESTATE EXECUTIVES

See for yourself the **Important Developments** in vacuum equipment with special emphasis on **UNEXCELLED CARPET CLEANING.**

We are extending our HALF-PRICE offer to also include the PT57.

A NEW and AMAZING **two motor vacuum cleaner.**

- Cleans wool, cotton, and synthetic carpets with equal ease and efficiency *and BETTER than any other vacuum cleaner you've ever tried.*

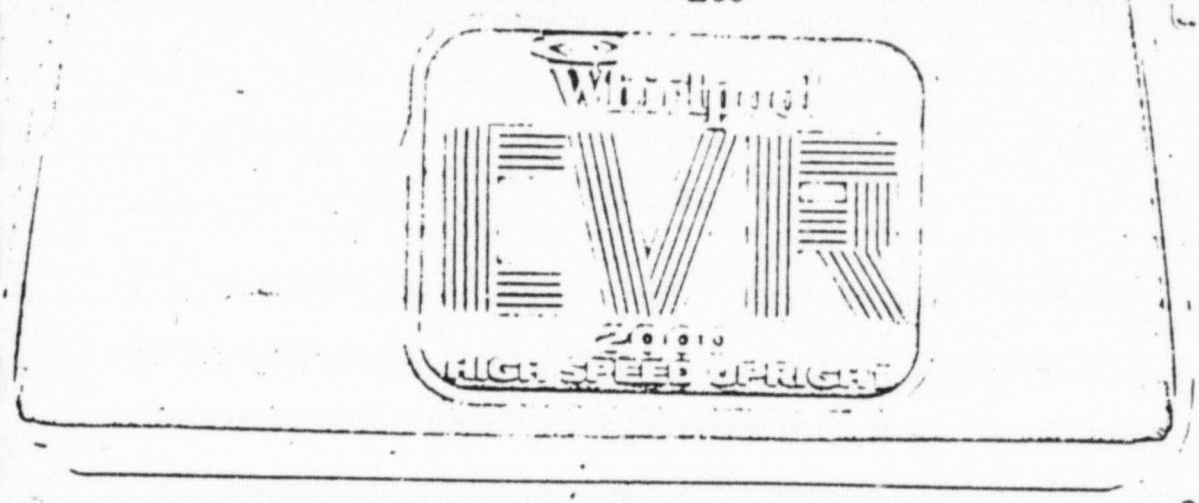
A commercial tank complete with cleaning tools — PLUS **a separate motorized power-head with specially developed hi-speed revolving brush.**

- Tank motor for **powerful suction.**
- Power-head motor for **hi-speed agitation.**

As a Real Estate Executive you may purchase one only at HALF PRICE. See attached literature and order form for details.

ORECK CORPORATION · 18 Elmcroft Road · Stamford, Connecticut 06902

E-57



Cast Aluminum & Steel Construction. Built to Last.

High-speed 8,200 RPM revolving brush • does a "great job" on carpets • Exclusive built-in sweep strip. • Rolls off rugs to brush-clean bare floors, without tools or adjustments — picks up lint, threads, and hair in one stroke.

Maids "love it" • Fast and easy to use • Cleaning head only 3½" high, gets under low furniture, beds and desks • Brush-cleans hard-to-get-at places every day, instead of once a week • Eliminates sprained backs and aching muscles.

Cleans and restores newness to those hard-to-clean carpets, runners and mats • Easily maintains small high-traffic carpeted areas that must be vacuumed several times a day.

Holds the Dust of 14 to 25 Rooms and More, in a Job-sized Disposable Economical Dust Bag. A Snap to Remove and Replace.

Weighs less than 9 Pounds • Easy to Lift with One Finger • Hangs on a Hook • Does the job of Heavier Machines — but Faster.

Has Only 3 Moving Parts. • Do-it-yourself, Easy Parts Replacement — On Your Premises.

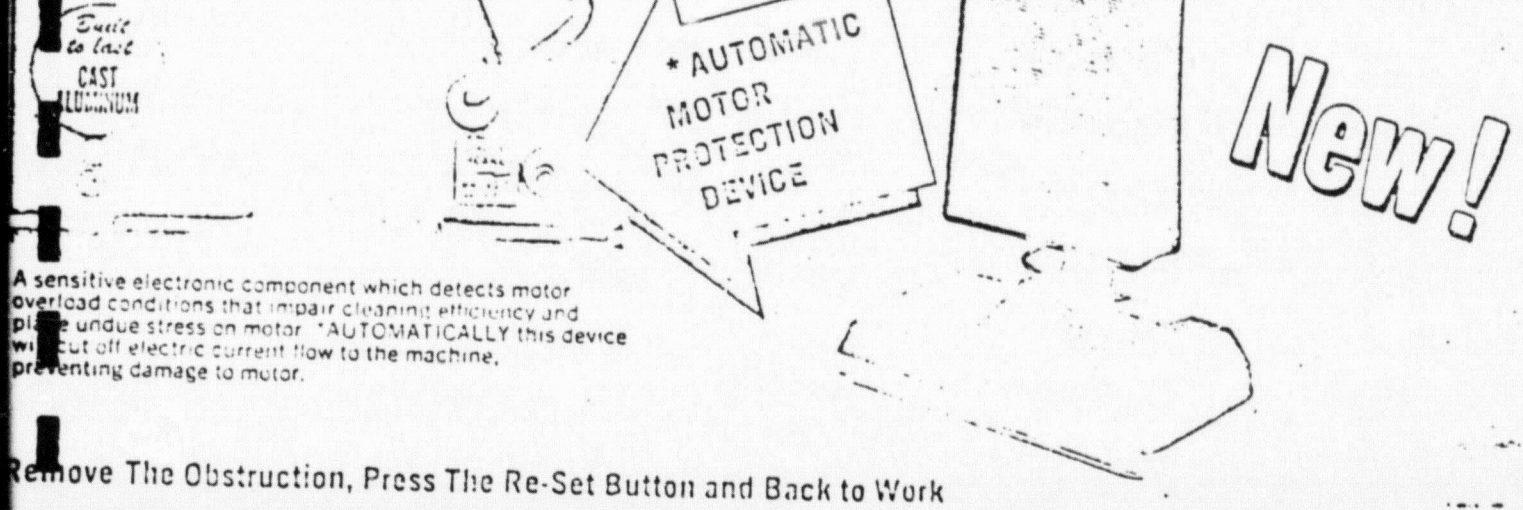
Quality engineered to yield superior performance, in light commercial applications.

Whirlpool uprights are standard equipment in Americia's finest institutions.

Recommended by major carpet manufacturers as excellent for routine maintenance.

Only 3½" high — cleans like it's 10 feet tall.

Unique powerhead design combines cleaning power and high speed agitation, up front, where the dirt is, with a dynamic air-flow system that whisks the dirt up the wand and simply drops it into a job-sized disposable bag — maintaining peak suction and high "clean-ability".



New!

A sensitive electronic component which detects motor overload conditions that impair cleaning efficiency and place undue stress on motor. *AUTOMATICALLY this device will cut off electric current flow to the machine, preventing damage to motor.

Remove The Obstruction, Press The Re-Set Button and Back to Work

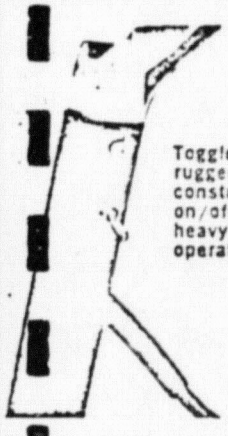
Whirlpool

2000
HIGH SPEED UPRIGHT

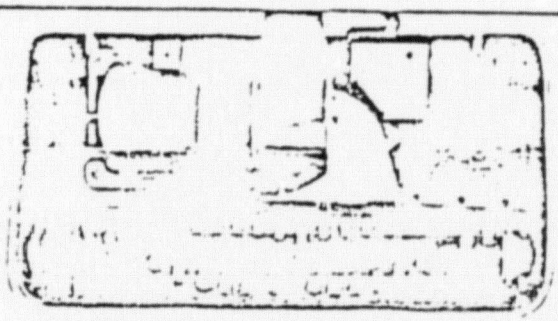
High Speed Vacuum Cleaning For Carpets And Bare Floors

[illegible] Hilton Hotels, Sheraton Hotels and other fine institutions have switched to WHIRLPOOL

One purchasing agent of a large hotel chain says he is saving almost two thousand dollars a month in maintenance costs alone since replacing his old cleaners with the WHIRLPOOL Uprights. Plus carpets are cleaner than ever before.

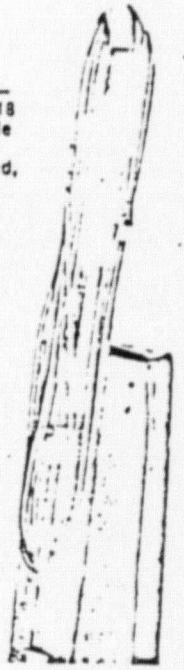


Toggle Switch—ruggedly constructed on/off for heavy duty operation.



Cleaner base constructed of heavy duty cast aluminum. Drive belt sealed off from dirt collection areas to prevent interference with drive system. Dust collection throat, 3[illegible]" wide, is directly adjacent to beater brush for maximum efficiency of vacuum power. Powerful high speed motor factory lubricated.

(Base plate removed)



Power Cord—24 feet, SJT-18 gauge flexible heavy duty Vinyl-jacketed, two-wire. Approved by UL for commercial use.

SPECIFICATIONS

WEIGHT: 8¾ pounds.

HEIGHT: Over-all 44½".

POWER HEAD: Width — 12¾".
Height — 3½", side projections, 2¼".

MOTOR: Especially designed motor, custom engineered, 22,000 rpm. Die cast metal housing. High temperature insulation. Solid shaft, rotating on ball bearings. Factory lubricated for life. New, internal air-cooling and motor-cleaning fan device, with self-cleaning blades.

ELECTRICAL: 120 volts, 60 cycle A.C., 1.9 Amps. Toggle switch ruggedly constructed on/off for heavy-duty operation. Listed Underwriter Laboratories.

***AUTOMATIC MOTOR SAFETY FEATURE:** Manual reset type. UL rating 3.5 amps.

POWER CORD: 24 feet, SJT-18 gauge flexible heavy-duty Vinyl-jacketed, two-wire. Approved by UL for commercial use.

SEALING GASKET: Patented coverplate sealing gasket materials excel in absorbing shock, insulating, resisting corrosive chemicals and abrasive contact.

AGITATION: High speed brush rotates 8,200 rpm. on medium pile carpet. Self-aligning bearings may be rotated to extend bristle life. ABS plastic sleeve seals protect exposed brush bearing (opposite belt) by preventing dirt built up and by promoting retention of oil in bearings.

WHEELS: Rear: non-marking squeakproof.
Front: Nylon for easy mobility.

SWEEP STRIP: Keeps suction to the front, to provide effective brush cleaning of bare floors.

DRIVE BELT: Made of durable non-tacky rubber compound. Sealed off from dirt collection areas, to prevent interference with the drive system and to eliminate dirt path.

EFFECTIVE DUST BAG CAPACITY: 270 cubic inches.

BAG COVER: Nylon reinforced vinyl with side zipper.

COLOR: Ivory and Jet black.

PACKING: One per shipping carton. Set up.

SHIPPING WEIGHT: 12 pounds.

PRICE: $93.60.

Engineering excellence and significant design advancement makes this Whirlpool Cleaner a must for your carpets and floors.

Specifications subject to change without notice. WHIRLPOOL appliances are products of Whirlpool Corporation, Benton Harbor, Michigan. Trademarks used by authority of trademark owner. Whirlpool is registered trademark ® (marcas registradas) in various countries.

CORDLEX CORPORATION

National Sales Organization for WHIRLPOOL VACUUM CLEANERS
18 ELMCROFT RD., STAMFORD, CONNECTICUT 06902

ORECK CORPORATION • 18 Elmcroft Road • Stamford, Connecticut 06902

ORDER FORM

Enclosed herewith is my check made payable to the ORECK Corporation for the following:

☐ Whirlpool Upright Cleaner (Selling price $93.60) ..... $46.80 ea.

☐ PT57 Two Motor Combination Tank and Power Upright complete with tools. (Selling price $298.00) $149.00

☐ One of each $195.80

I understand that this Half Price offer is available for a limited time only—exclusively for my personal use. Merchandise shipped F.O.B. factory.

Ship to: Please Print

Name: .....

.....

Address: .....

Do Not Use P.O. Box No.

City: ..... State: ..... Zip: .....

507405

Postage Will Be Paid by Addressee

No Postage Stamp Necessary If Mailed In United States

BUSINESS REPLY MAIL

First Class Permit No. 837, Stamford, Conn.

ORECK CORPORATION

18 ELMCROFT ROAD

STAMFORD, CONNECTICUT 06902

PT57-B with TWO MOTORS

Now With a 15 Foot Hose For Quiet, Easy Powerful Cleaning

A Dream Come True—Just Think!

An Upright Vacuum Cleaner That Weighs Only 6¾ Lbs:

- that is built of steel and die cast aluminum.
- that has a ½ bushel dust bag capacity.
- that has a power head that is only 3½" high. Side projections only 2¼" high.
- that has the suction of a commercial tank.
- that has a high-speed revolving brush, 5,900 R.P.M.
- that is automatically self-adjusting to height of carpet pile.
- CLEANS BARE FLOORS—Exclusive Built-In Sweep Strip. Rolls off rugs to brush clean bare floors without tools or adjustments.

A Compact Heavy Duty Commercial Tank:

that is delivered complete with finest tools for all around cleaning.

that is small and compact but with oversized dust capacity.

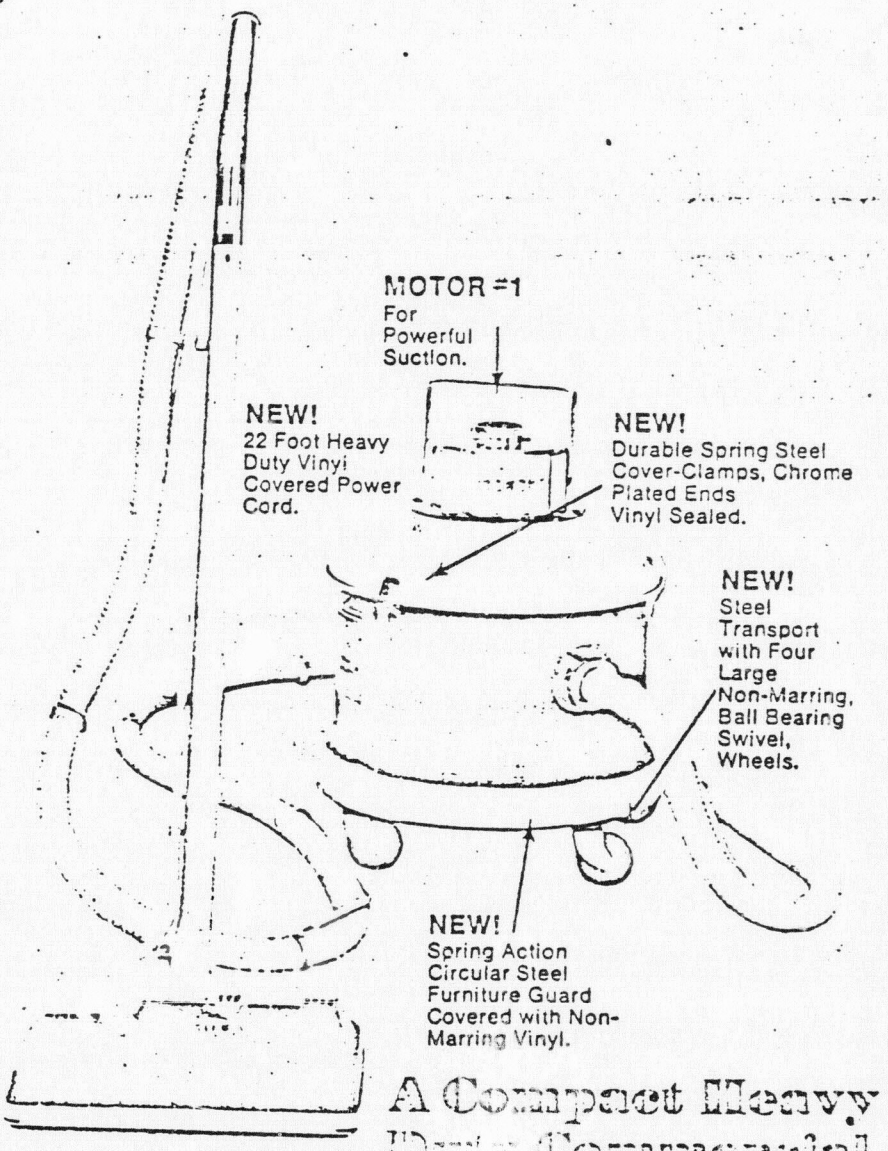
that doesn't need emptying—just throw ½ bushel bag away.

that has a blower port—spraying, blowing dust out of crevices.

that is built of steel.

that is small enough for a woman to use.

that can be placed in the middle of a 40 foot area, or at the bottom of a flight of stairs and when used with the power nozzle or cleaning tools, can do the complete job, without hardly ever being moved.



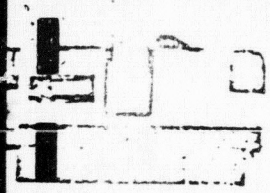
A Compact Heavy Duty Commercial Cleaner*

- Powerful Suction
- Double Filtration
- Half Bushel Tank Capacity
- Encapsulates Dust—No Dust Bag To Empty

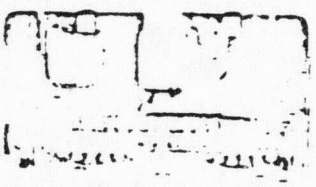
Exclusive powerhead is only 3½" high gets under low furniture—desks, beds, lounge chairs and around furniture legs easily

Clinging lint and threads picked up in one stroke.

™ ORECK CORP



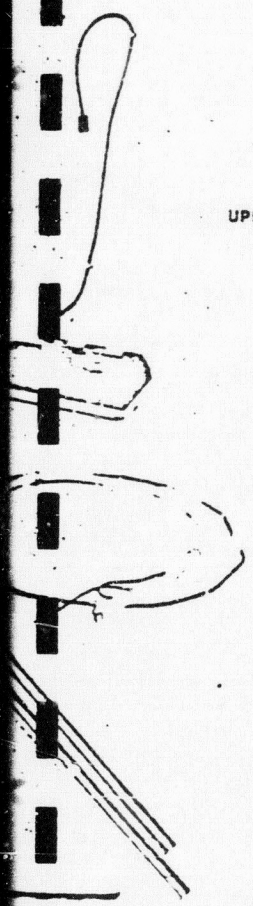
ANS BARE FLOORS—Exclusive
-in Deep Strip. Rolls off rugs
rus clean bare floors without
s or justments.



This upright unit has a high-speed electric motor-driven brush. It gently flexes over the deepest nap carpet to get at hidden dirt and dust. Quietly exerts suction power. No "beater bar"—the revolving brush grooms the fibers, keeps carpets looking cleaner longer. No belt in the center of the brush to create a dirt problem—belt runs in sealed area OUTSIDE the brush area. After long use brush may be adjusted to compensate for wear.

(Photo shows underside of upright unit cover plate removed.)

Click-off the upright, click-on any of the high efficiency tools—and the entire vacuuming job can be completed quickly-easily-thoroughly—ceilings, walls, hardwood floors, concrete, tile, baseboards, air ducts, drapes, upholstery, lighting fixtures, door and window sills.



THE PT37-B IS DELIVERED COMPLETE WITH MODEL CAP 33 SET OF ATTACHMENTS

UPRIGHT UNIT

CONSTRUCTION:
Cast aluminum base with baked enamel finish.

WEIGHT:
6¾ lbs.

POWER HEAD:
Width—12¾".
Height—3½", side projections, 2¼".

MOTOR:
Especially designed motor, custom engineered, 15,400 rpm. Die-cast metal housing. High temperature insulation. Solid shaft, rotating on ball bearings. Factory lubricated for life. New, internal air-cooling and motor-cleaning fan device, with self-cleaning blades.

BRUSH:
End-driven. Revolves on lubricated bearings. Adjustable to compensate for wear after long use. Belt runs in space sealed from dirt passage. 5,900 RPM on medium pile carpet.

POWER:
115 Volt, 60 cycles AC. 1.2 Amps. Self-aligning bearings factory lubricated.

COLOR:
Jet Black and White.

PACKING:
Model CAP 33 Upright and all attachments (hose, wands and tools) packed in separate carton.

SHIPPING WEIGHT:
17 lbs. (Upright unit, hose, wands and tools.)

[illegible] HOSE:
Extra flexible. Hose handle has built-in suction control. Vinyl cord retainers fasten 18' SJT 3 wire grounded service extension cord to hose.

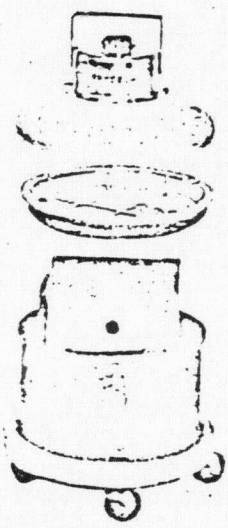
WANDS 20":
of chrome-plated steel; with click-lock.

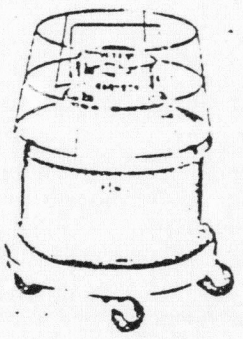
CREVICE TOOL:
(Also used for de-mothing)

DUSTING BRUSH:
Vinyl. Dusts lamp shades, venetian blinds, light fixtures, and books.

FLOOR AND WALL BRUSH:
Vinyl. Almost a foot wide. Can be removed from holder, washed and replaced.

FABRIC TOOL:
Vinyl. Has oscillating brush.





MODEL PT37-B

MOTOR:
1 H.P. Input 17,500 R.P.M., 115 volts, AC, 6.5 amps, 745 watts, 60 cycles. Air cooled.
Multi-stage turbine, impellers mounted on armature shaft.
Precision ball bearings sealed in lubricant for life.

PERFORMANCE:
80" water lift with sealed orifice. 46" water lift with ⅜" orifice.
89 C.F.M. with 1½" orifice.

AIR VELOCITY:
15,192' per minute at ¾" orifice.

CORD:
16/3 type S, rubber covered with molded on plug 22' long.

FILTERS:
Primary cloth filter mounted on frame. Auxiliary totally enclosed disposable paper filter bag; encapsulates dust to improve filtration and counteract bacteria and fungi.

TANK RECOVERY:
½ bushel of dry material.

DIMENSIONS:
Height 22½", Width 17", Weight 23 lbs.
Tank—Internal diameter 14".

FINISH:
Jet Black and White. Polished aluminum, chrome and black decoration.

PRICE:
$298 Complete with tools.

4/13/71

Jack —

Thought you might be interested in this formation. Woodbridge mentioned a while back that there was a problem here.

No need to reply —

Owen

Memo from
Owen Skelton

ORECK CORPORATION E64

18 Elmcroft Road / Stamford, Connecticut 06902 / 203-324-3350

Exclusive National Distributor
Whirlpool Vacuum Cleaners

IMPORTANT NOTICE TO INDUSTRIAL EXECUTIVES

We will send you a new WHIRLPOOL appliance at HALF price

Gentlemen:

The Whirlpool Corporation has patented a remarkable new hi-speed upright vacuum cleaner that we GUARANTEE to clean the new indoor-outdoor and kitchen carpets in a single stroke. It weighs only 9 lbs!

The Ozite Corporation has thoroughly tested this product and found it to be "remarkably effective."

This machine is equally effective on ALL CARPETS and will clean bare floors without attachments or adjustments.

Whirlpool vacuum cleaners are not sold through appliance or department stores. They are distributed exclusively by Hotel Supply Distributors. Every major hotel in New York City (such as Hilton, The Americana, Regency, Waldorf-Astoria, etc.) uses this new Whirlpool upright ....as well as leading hotels and institutions throughout America.

The CVR-2000 is constructed of cast aluminum and steel, yet the entire machine weighs only 9 lbs! An automatic safety cut-off switch turns off the machine if it becomes obstructed. This protects against motor burnout.

Hotels and institutions pay $97.20 for this unit. As an Industrial Executive, you may purchase ONE only at 50% off, or $48.60 --- Exclusively for your personal use.

Availability at this price is guaranteed for fifteen days from the time you receive this letter.

Send your check for $48.60 payable to Oreck Corporation (Whirlpool's Exclusive National Wholesale Distributor for Vacuum Cleaners), and the Whirlpool CVR-2000 upright cleaner will be sent to you promptly (F.O.B. our warehouse).

We guarantee this product to be the most effective you have ever used, or your money promptly refunded.

Sincerely yours,

D. Oreck

David Oreck
President

INDUSTRIAL EXECUTIVES E65

See for yourself the Important Developments in vacuum equipment with special emphasis on UNEXCELLED CARPET CLEANING.

We are extending our HALF-PRICE offer to also include the PT57-B.

A NEW and AMAZING two motor vacuum cleaner.

- Cleans wool, cotton, and synthetic carpets with equal ease and efficiency *and BETTER than any other vacuum cleaner you've ever tried.*

A commercial tank complete with cleaning tools — PLUS a separate motorized power-head with specially developed hi-speed revolving brush.

- Tank motor for powerful suction.
- Power-head motor for hi-speed agitation.

As an Industrial Executive you may purchase one only at HALF PRICE. See attached literature and order form for details.

ORECK CORPORATION • 18 Elmcroft Road • Stamford, Connecticut 06902

Postage Will Be Paid by Addressee

No Postage Stamp Necessary If Mailed in the United States

BUSINESS REPLY MAIL

First Class Permit No. 307, Stamford, Conn.

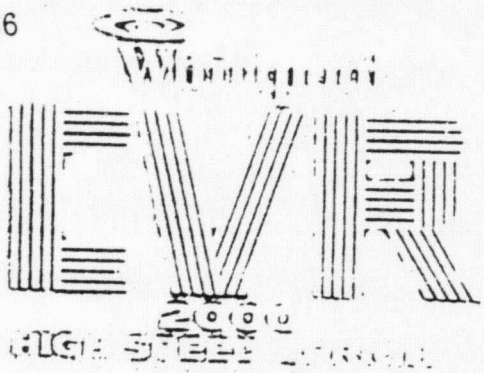
ORECK CORPORATION

18 ELMCROFT ROAD

STAMFORD, CONNECTICUT 06902

ORDER FORM

Enclosed herewith is my check made payable to the ORECK Corporation for $



Cast Aluminum & Steel Construction. Built to Last.

Highly rated 8.0 amp. rotating brush • Does a "great job" on carpets • Exclusive built-in dusting brush • Switches rugs to brush-clean bare floors without tools or adjustments — and picks up lint, threads, and hair in one stroke.

Models Wide 8" • Easy-to-use handle • Cleaning head only 3" high, gets under furniture • Powerful 3-brush suction • Rotating/vibrating brushes dig dirt • Includes 2 wide • Eliminates strained backs and aching muscles.

Cleans and restores newness to those hard-to-clean carpets, runners and mats • Easy maintenance for traffic carpeted areas that must be vacuumed several times a day.

Holds the Dust of 14 to 25 Rooms and More. Disposable Economical Dust Bag. A Snap to Remove and Replace.

Weighs less than 8 Pounds • Easy to Lift with One Finger • Hangs on a Hook • Does the job of Heavier Machines — but Faster.

Has Only 3 Moving Parts • Sturdy, Lightweight Cast Aluminum Construction — Chrome Plated

Built to last CAST ALUMINUM

* AUTOMATIC MOTOR PROTECTION DEVICE

New!

Quality engineered to yield superior performance, in light commercial applications.

Whirlwind uprights are standard equipment in America's finest institutions.

Recommended by major carpet manufacturers as
ment for
maintenance.

A Star Kirby — cleans
10
powerful
with

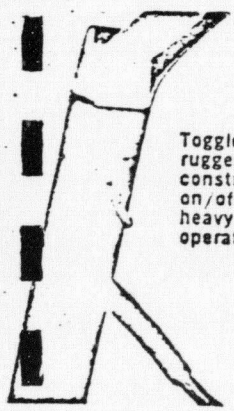
Whirlpool

2000
HIGH SPEED UPRIGHT

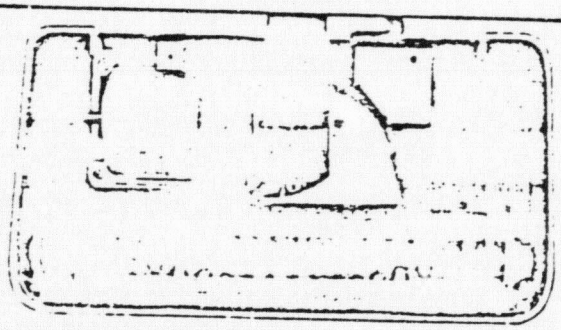
Sight Sp E67 Tactical Cleaner
For Carpets And Bare Floors

Here is why the Americana, Regency, Summit, Warwick, St. Moritz, Taft, Hilton Hotels, Sheraton Hotels and other fine institutions have switched to WHIRLPOOL

One purchasing agent of a large hotel chain says he is saving almost two thousand dollars a month in maintenance costs alone since replacing his old cleaners with the WHIRLPOOL Uprights. Plus carpets are cleaner than ever before.



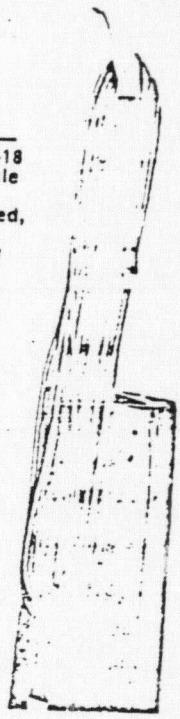
Toggle Switch—ruggedly constructed on/off for heavy duty operation.



Cleaner base constructed of heavy duty cast aluminum. Drive belt sealed off from dirt collection areas to prevent interference with drive system. Dust collection throat, 3½" wide, is directly adjacent to beater brush for maximum efficiency of vacuum power. Powerful high speed motor factory lubricated.

(Base plate removed)

Power Cord—24 feet, SJT-18 gauge flexible heavy duty Vinyl-jacketed, two-wire. Approved by UL for commercial use.



SPECIFICATIONS

WEIGHT: 9¾ pounds.

HEIGHT: Over-all 44½".

POWER HEAD: Width — 12¾".
Height — 3½", side projections, 2¼".

MOTOR: Especially designed motor, custom engineered, 22,000 rpm. Die cast metal housing. High temperature insulation. Solid shaft, rotating on ball bearings. Factory lubricated for life. New, improved air-cooling and motor-cleaning fan device, with self-cleaning blades.

ELECTRICAL: 120 volts, 60 cycle A.C., 1.3 Amps. Toggle switch ruggedly constructed on/off for heavy-duty operation. Listed Underwriter Laboratories.

THERMAL MOTOR SAFETY FEATURE: Manual reset type. UL rating 3.5 amps.

POWER CORD: 24 feet, SJT-18 gauge flexible heavy-duty Vinyl-jacketed, two-wire. Approved by UL for commercial use.

SEALED CABINET: Prevents abrasive dust and dirt materials entering and damaging insulating, rotating or flexible chemical and gear reducing contact.

AGITATION: High speed brush rotates 8,000 r.p.m. on maximum size cotton. Sealed ball bearings mean [illegible] life. And the exclusive sealed motor area [illegible] positive [illegible] full-up and by the [illegible] of down strokes.

WHEELS: Rear: non-marking squeakproof.
Front: Nylon for easy mobility.

SWEEP STRIP: Keeps suction to the front, to provide effective brush cleaning of bare floors.

DRIVE BELT: Made of durable non-tacky rubber compound. Sealed off from dirt collection areas, to prevent interference with the drive system and to eliminate dirt path.

EFFECTIVE DUST BAG CAPACITY: 270 cubic inches.

BAG COVER: Nylon reinforced vinyl with nice zipper.

COLOR: Ivory and Jet Black.

PACKING: One per shipping carton. Set up.

SHIPPING WEIGHT: 12 pounds.

PRICE: $97.50.

Easily gains appearance and attention on display floor. Right with its elite Whirlpool Cleaner a must for your carpets and floors.

[illegible] without notice. WHIRLPOOL [illegible] warranty at local [illegible] owner [illegible] registration [illegible] various [illegible]

CORPORATION

[illegible] FOR [illegible]
16 ELMSCROFT RD., STAMFORD, CONNECTICUT

PT37-EB with TWO MOTORS

Now With a 5 Speed Motor For Quicker, Easy, Powerful Cleaning

A Dream Come True—Just Think!

An Upright Vacuum Cleaner That Weighs Only 6¾ Lbs:

- that is built of steel and die cast aluminum.
- that has a ½ bushel dust bag capacity.
- that has a power head that is only 3½" high. Side projections only 2¼" high.
- that has the suction of a commercial tank.
- that has a high-speed revolving brush, 5,900 R.P.M.
- that is automatically self-adjusting to height of carpet pile.
- CLEANS BARE FLOORS—Exclusive Built-In Sweep Strip. Rolls off rugs to brush clean bare floors without tools or adjustments.

A Compact Heavy Duty Commercial Tank:

that is delivered complete with finest tools for all around cleaning.

that is small and compact but with oversized dust capacity.

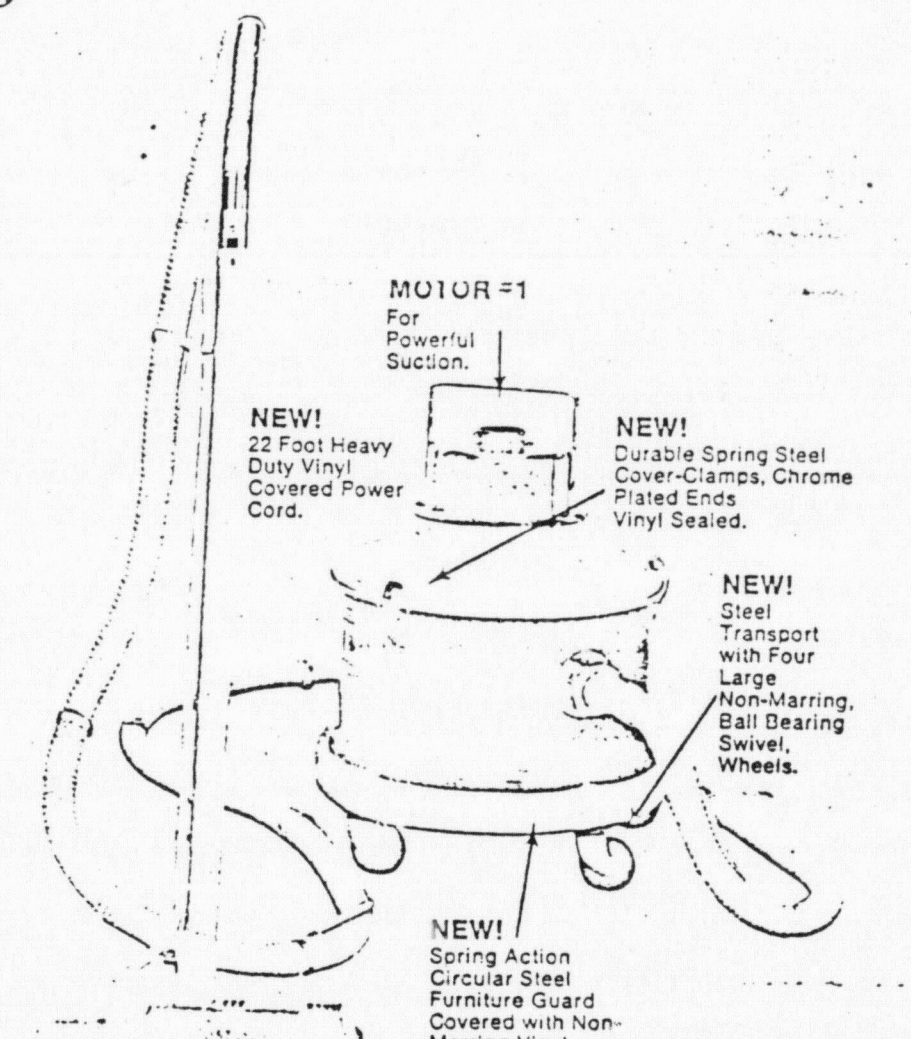
that doesn't need emptying—just throw ½ bushel bag away.

that has a blower port—for spraying, blowing dust out of crevices.

that is built of steel.

that is small enough for a woman to use.

that can be placed in the middle of a 40 foot area, or at the bottom of a flight of stairs and when used with the power nozzle or cleaning tools, can do the complete job, without hardly ever being moved.



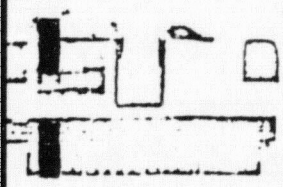
A Compact Heavy Duty Commercial Cleaner

- Powerful Suction
- Double Filtration
- Half Bushel Tank Capacity
- Encapsulates Dust—No Dust Bag To Empty

Exclusive powerhead is only 3½" high gets under low furniture—desks, beds, lounge chairs and around furniture legs easily

Clinging lint and threads picked up in one stroke.

HORECK CORP.



EANS BARE FLOORS – Exclusive
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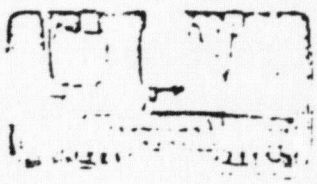
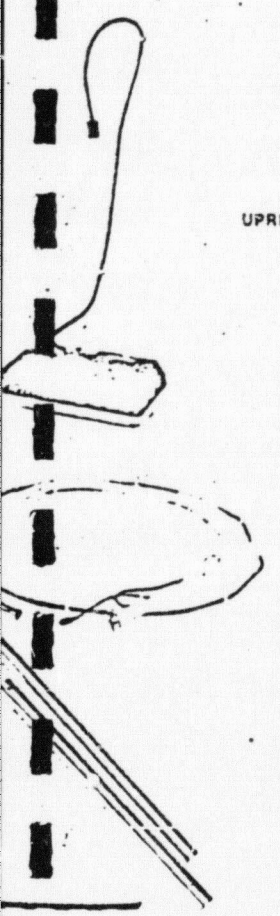


The upright unit has its own electric motor-driven brush. It gently flicks out even the deepest nap carpet to get at hidden dirt and grit. Cleaner carpets last longer. No beater bar—the revolving brush grooms the fibers, keeps carpeting [illegible] cleaner longer. No belt in the center of the brush to create a dirt path—this belt runs in space sealed OUTSIDE the brush area. After long use brush may be adjusted to compensate for wear.

(Photo shows underside of upright unit cover plate removed.)

Click-off the upright, click-on any of the high efficiency tools—and the entire vacuuming job can be completed quickly-easily-thoroughly—ceilings, walls, hardwood floors, concrete, tile, baseboards, air ducts, drapes, upholstery, lighting fixtures, door and window sills.



THE PT57-B IS DELIVERED COMPLETE WITH MODEL CAP 33 SET OF ATTACHMENTS

UPRIGHT UNIT

CONSTRUCTION:
Cast aluminum base with baked enamel finish.

WEIGHT:
6¾ lbs.

POWER HEAD:
Width—12¾".
Height—3½", side projections, 2¼".

MOTOR:
Especially designed motor, custom engineered, 15,400 rpm. Die-cast metal housing. High temperature insulation. Solid shaft, rotating on ball bearings. Factory lubricated for life. New, internal air-cooling and motor-cleaning fan device, with self-cleaning blades.

BRUSH:
End-driven. Revolves on lubricated bearings. Adjustable to compensate for wear after long use. Belt runs in space sealed from dirt passage. 5,900 RPM on medium pile carpet.

POWER:
115 Volt, 60 cycles AC. 1.2 Amps. Self-aligning bearings factory lubricated.

COLOR:
Jet Black and White.

PACKING:
Model CAP 33 Upright and all attachments (hose, wands and tools) packed in separate carton.

SHIPPING WEIGHT:
17 lbs. (Upright unit, hose, wands and tools.)

15', 1¼" NYLON RE-ENFORCED HOSE:
Extra flexible. Hose handle has built-in suction control. Vinyl cord retainers fasten 18' SJT 3 wire grounded service extension cord to hose.

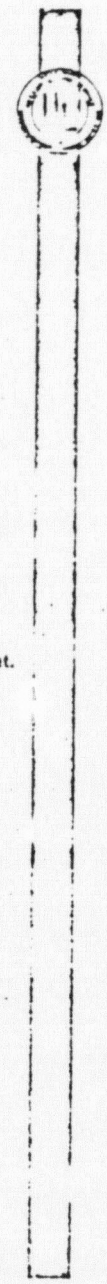
WANDS 20":
of chrome-plated steel; with click-lock.

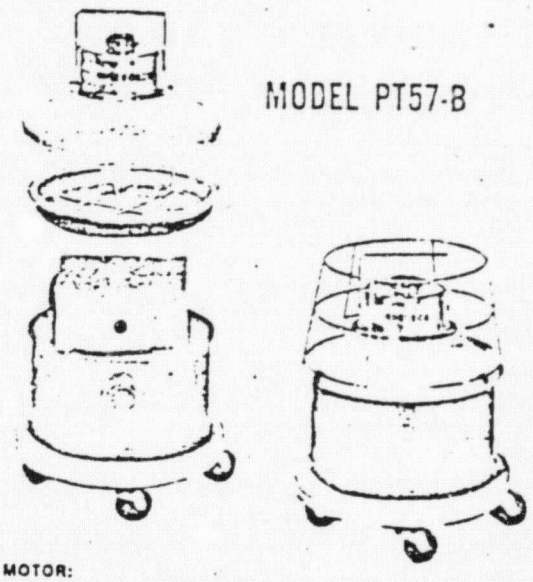
CREVICE TOOL:
(Also used for de-matting)

DUSTING BRUSH:
Vinyl. Dusts lamp shades, venetian blinds, light fixtures, and books.

FLOOR AND WALL BRUSH:
Vinyl. Almost a foot wide. Can be removed from holder, washed and replaced.

FABRIC TOOL:
Vinyl. Has oscillating brush.





MODEL PT57-B

MOTOR:
1 H.P. Input 17,500 R.P.M., 115 volts, AC, 8.5 amps, 745 watts, 60 cycles. Air cooled.
Multi-stage turbine, impellers mounted on armature shaft.
Precision ball bearings sealed in lubricant for life.

PERFORMANCE:
80" water lift with sealed orifice. 48" water lift with 1/8" orifice. 89 C.F.M. with 1½" orifice.

AIR VELOCITY:
15,192' per minute at ¾" orifice.

CORD:
16/3 type S, rubber covered with molded on plug 22' long.

FILTERS:
Primary cloth filter mounted on frame. Auxiliary totally enclosed disposable paper filter bag; encapsulates dust to improve filtration and counteract bacteria and fungi.

TANK RECOVERY:
½ bushel of dry material.

DIMENSIONS:
Height 22½", Width 17", Weight 23 lbs.
Tank—Internal diameter 14".

FINISH:
Jet Black and White. Polished aluminum, chrome and black decoration.

PRICE:
$298 Complete with tools.

PV 63

WE TESTED 40 CANISTERS AND UPRIGHTS; FOUR OF THE CANISTERS CAME CLOSE TO BEING ALL-PURPOSE

Over the years, CU has generally found upright vacuum cleaners superior to canisters for cleaning carpets, and canisters superior to uprights for bare floors and above-the-floor jobs. We have therefore noted that, ideally, a cleaner of each type would be best if extensive cleaning of both kinds were needed. If you wanted only one cleaner, however, a canister would prove more versatile than an upright.

The balance in favor of a canister became stronger as units appeared with electrically powered carpet-brush attachments that could clean carpets nearly as well as uprights could. There are four such models in this report—*Sears 7069, Hoover U150,* and *Electrolux G* and *L* (the power brush is an optional attachment, at extra cost, on all of them). However, households with a lot of carpeting to clean may still want to consider owning both a canister and an upright, particularly since a good cleaner of each type can be bought for a good deal less than the price of most canisters with power brushes.

The electrically powered brush is not the only attempt to improve the carpet-cleaning ability of canister vacuum cleaners. Other attempts encountered in our test machines include a turbine-driven rotating brush operated by the flow of air into the cleaner and the "VibraVac" feature,

The Sunbeam 635-2A (left) and Hoover 1050 were the top-rated models of each type. Sunbeam was also a Best Buy at $39.95.

plastic rollers in the carpet nozzle that vibrate when the flow of air from the vacuum's suction passes over them.

But only canisters with an electrically powered brush evaded the old strictures: the other tested canisters, despite their high suction, were not as effective as the upright cleaners, with their vigorous brush action, when it came to removing the deeply embedded dirt so injurious to carpets; the uprights were not as effective as the canisters for other uses in which high suction is important, or as convenient.

There seem to have been few innovations since we last reported on vacuum cleaners in 1964. Some refinements and design changes (not always for the better) affected the rankings, but six of the nine models checked-rated this time are similar to units checked-rated in 1964.

Among the canister cleaners, we selected both top-of-the-line and economy models, and additional models of several major manufacturers who offered a wide choice. Among the uprights, we selected the model judged most representative of each manufacturer's line, except in the case of *Hoover* and *Eureka*, two of the best-known brands of uprights (we tested two models of each). We also tested one vacuum cleaner of unusual design, the *Household Hoover U130 Convertodial*, which converts from an upright to a canister (see page 133).

Advertisements and brochures for many models devote a good deal of attention to horsepower ratings; higher horsepower, they often imply, means a better cleaner. But horsepower is no guide to quality. For one thing, the horsepower figure usually refers to input power, the power drawn by the motor from the power source; the power actually delivered by the motor is always considerably less than that drawn from the source. For another, we have reason to believe that competing horsepower claims are not comparable, since they may not always be based on identical conditions of operation. In any case, high power does not necessarily mean high suction. Furthermore, the design of the rug nozzle greatly influences carpet-cleaning efficiency, so neither high horsepower nor strong suction will of itself insure superior cleaning of carpets.

Getting at the deep dirt

We tested both canister and upright models for the relative speed at which they will get deeply embedded dirt out of a carpet. Any vacuum cleaner will pick up the dirt if you stay at it long enough; you want one that will do the job relatively quickly. As in past tests, we picked one canister and one upright to serve as standards of comparison and matched each of the other machines against the standard for its type. We then compared canisters to uprights. We tested all canisters, and the uprights for which we had attachments, for suction strength, the key

to performance in bare-floor and above-the-floor cleaning jobs. We also tested the cleaners' ability to pick up surface litter.

As in the past, most of the uprights proved very good at ridding carpets of both surface litter and deeply embedded dirt. One notable exception, the *Sears Cat. No. 6590*, was judged no more effective in carpet cleaning than the average of canisters equipped with a conventional rug nozzle. The *6590* was eliminated from further testing, since we consider superior carpet-cleaning efficiency the only ground for choosing an upright over a canister.

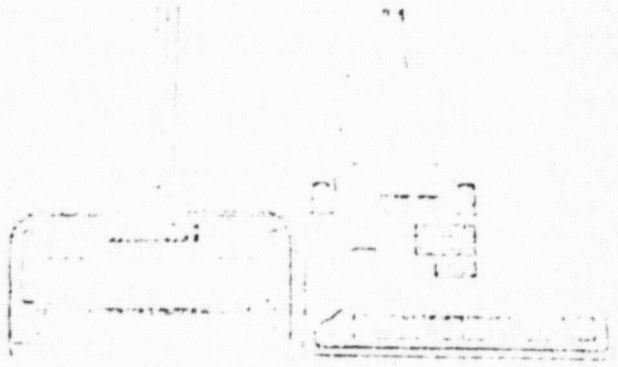
The upright's rotating brush must be at the proper height above the carpet for cleaning to be effective and handling easy. The *Kirby 50* has a convenient foot-treadle adjustment for brush height with a choice of seven positions, and you can set brush height on the *Westinghouse US30* at any point within its available range. Most of the other uprights have two brush positions. The *Eureka*, *Wards*, and *Wizard* models required that the cleaner be turned over in order to adjust the brush height, a minor inconvenience.

Of the canisters without a power-brush attachment, the top-rated *Sunbeam 635-24* did the best job of getting deeply embedded dirt out of carpets. However, in this respect it did not equal the high-rated canisters with power-brush attachments or the uprights, and its performance in picking up surface litter was only about average. The *Hoover 2201*, *Westinghouse US30*, *Eureka 500 B*, *Whirlpool U-100*, *General Electric VT-2*, and *Shetland Lewyt 2385*, picked up surface litter—dog hair and long threads—well enough, but hair and threads stuck to the nozzle comb or brush and had to be picked off later by hand. The vibrating plastic rollers on *Eureka 1100* and *Wards Cat. No. 375A* increased effectiveness of surface pick-up somewhat. But in our tests their rug nozzles were more effective at deep carpet cleaning when this optional feature was not in use.

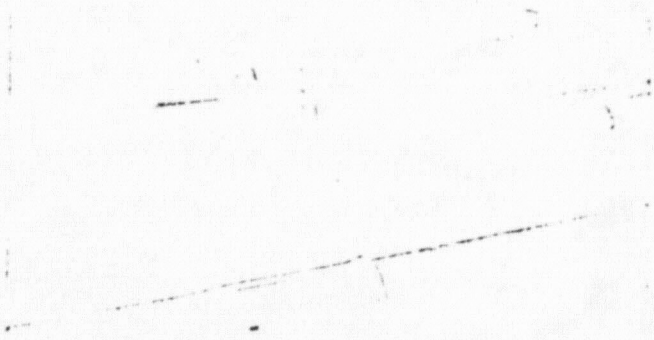
The *Sunbeam 635-24* and *660*, *Eureka 1100* and *Wards Cat. No. 37-1* had appreciably stronger suction than the average among the canisters: The *Hoover 2201* and *2010*, *Penncrest Cat. No. 0018*, *Shetland Lewyt 2385* and *Westinghouse US30* and *UC15* had significantly less. Suction determines a cleaner's efficiency in above-the-floor operation.

Strong suction can be too much of a good thing, however, when a nozzle starts sucking in curtains, slip covers, and throw rugs. Most canister models offer a bleed valve that reduces suction at the nozzle by allowing air to be taken in somewhere above the nozzle; the valve is usually found on the handle end of the wand or hose. Some bleed valves are mounted less conveniently on the body of the canister itself. In addition to a valve, the *Sears 7630*, *Whirlpool U-150*, *Eureka 1100*, and *Wards Cat. No. 375A* permit you to decrease motor speed for reduced suction. The *General Electric C12*, *Whirlpool U-100*, *Sears Cat. No. 7740*, *Eureka 500 B*, *Hoover 2010*, *Penncrest Cat. No. 0018*, and *Westinghouse UC15* offer no suction control at all. For the last three models it mattered less, because their suction at best was rather low.

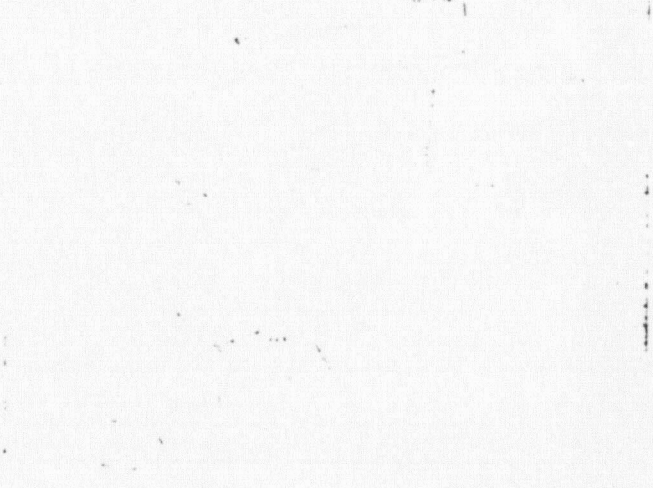
Among the uprights tested with above-the-floor cleaning



Electrically powered rotating brushes, as in Electrolux (left) and Whirlpool U-150 rug-nozzle attachments, cleaned rugs about as well as the tested uprights and were easy to push



Positive locks join Westinghouse attachments (top); judged more reliable than the Electrolux' friction-held fittings



The on-off switch foot pedal on the Shetland Lewyt 2385 broke after brief use. The model was judged Not Acceptable: it would be very inconvenient to turn on and off without the foot pedal

VACUUM CLEANERS continued

attachments, the suction of the *Hoover 1120* was strongest—but only a little stronger than that of the weakest canister. The *Westinghouse* had the lowest suction of all, about one third of the *Hoover's*—you could not expect it to be very effective in bare-floor or above-the-floor cleaning.

The dust-bag problem

Running a cleaner when its dust bag is full will cut suction and reduce any machine's efficiency. Running a cleaner with a full bag might also overheat and damage the motor, distend the bag until it becomes difficult to remove, or actually burst the bag.

After you have become acquainted with your cleaner, you may be able to tell when the bag is full by the noticeable drop in suction or even by a change in its sound. If you have any doubts, open the cleaner and take a look. On some models an indicator, such as a red flag in an inspection window, signals when the bag is full, but not all such warning devices (see Ratings) are sufficiently conspicuous or accurate. The best indicator is the *Electrolux G's*. When its bag is full, the machine shuts off automatically and the canister lid pops open.

The *Electrolux's* bag was also the easiest to replace. You simply drop it into position and close the lid. When you remove it, a rubber membrane seals the hole in the bag almost completely, so that very little dirt can be spilled. *Westinghouse 1830* and *Universal 66* also have bags with dust seals, but their seals were judged somewhat less effective, and replacing the bags in these machines required some manipulation. The most troublesome arrangement of all was on the *General Electric C-12*, which uses a big paper bag that has to be fitted into a cloth "back-up" bag in the mouth of the open canister. Because the paper bag has a quite wide mouth, it's difficult to remove when full without making a mess.

All the uprights except the *Kirby* use disposable bags, which are generally harder to change than the canister bags. In most models, a paper sleeve at the bottom of the bag must be fitted carefully over a mounting tube, then fastened with a spring or rubber retainer. The *Hoover 1120* and *Whirlpool LU55* use canister-type bags with cardboard mounting baffles. You must tip the *Hoover 1120* horizontal when you remove the bag, otherwise dirt might spill.

The *Kirby* still clings to the permanent cloth bag typical 30 years ago, but with an improvement: A trap door at the bottom of the bag makes emptying fairly easy (but the task can still be messy). This was the first time in many years that we tested a *Kirby*. You can attach quite a few optional devices to it—a floor polisher, grinding wheel, and knife sharpener, among other things—and with its detachable handle removed, you can use the machine on furniture, mattresses, and stairs. We judged the *Kirby* only as an upright, however. While it cleaned carpets well enough, we think that before spending over $170 for the *Kirby*, you might well consider other models, some of which run less than a third its price.

A canister should be able to negotiate door sills, carpet edges, and its own power cord without getting up or stuck. It should also follow the hose easily. cleaners met those requirements; some did not. A the canisters, the *Sears 7650*, *Eureka 730* and *Wizard 3051*, *Whirlpool LU50*, and *Wards Cat 3754* have chassis so low-slung that the units hung selves up on CU's test door sill. The *Hoover 2010* ha two wheels, and these were mounted so far toward rear that the front of the unit dragged unless lifted dragging front might mar a bare floor.

Most canister cleaners these days are shaped like cases or hatboxes, many with "feet" at one end on w they can stand upright in use. A few models, such *General Electric C-12*, retain the round shape once so mon in canisters. Shape is important when it comes to ability for use on stairs, a factor mentioned in the Rat Oblong canisters like the *Electrolux* and the *Sun* 677 will sit easily on most stair treads; most other mo will stand upright on them. The *GE C-12*, *Eureka 3* and *730*, and *Wizard 3051* would do neither, and w judged least suitable for use on stairs.

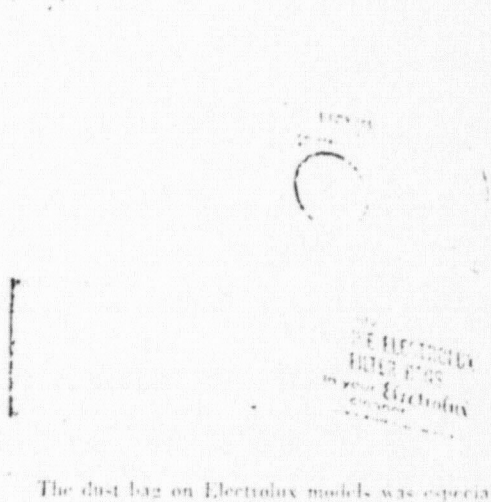
With their attachments in place, most of the upri do not compare with the canisters in maneuverability. exception is the *Westinghouse* upright, which has a cas wheel on its adapter plate (a feature on several upri that shields the revolving brush when the attachments in use). You can tow this model about conveniently. M of the other uprights tend to roll straight ahead on the fixed wheels unless coaxed off course; the *Hoover 10* must be dragged around on its bare adapter plate or fixed rear wheels. On all uprights the tall guiding handle may well knock against furniture when you tow the un about by the hose.

Though often harder to maneuver than a canister, the upright cleaners are much easier to store. They stand u straight in a closet or utility room. If you attempt to pack your canister away with the attachments still in place, you have an awkward bundle; disassemble them and you have a jumble of loose parts. Only the *Hoover 2091* accommodates everything inside the canister, undoubtedly the most convenient solution, but a rather heavy package at 21 pounds. The *Eureka 1100* and *Wards Cat. No. 3754* come with a "suitcase" for component storage. Some models of both canister and upright have simple cardboard caddies; others store at least some of the attachments in or on the canister; others make no provisions at all for storage.

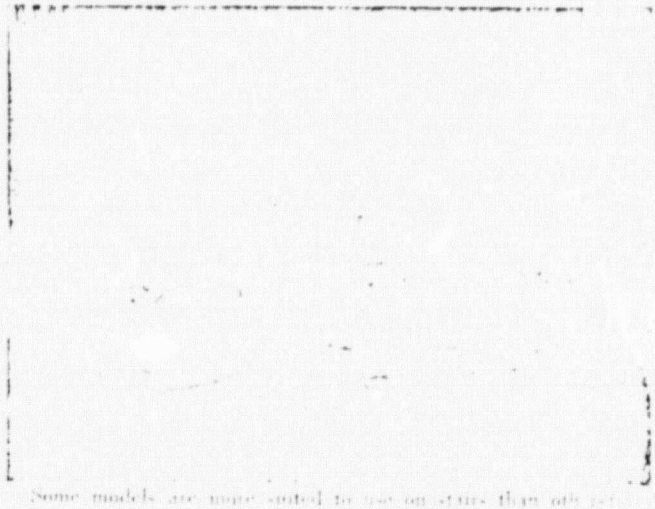
What attachments?

All the canister models tested come with a set of attachments. The upright's attachments are extra-cost options. For both, a typical set includes a flexible hose, two lengths of wand, a floor-and-wall brush, an upholstery nozzle, a dusting brush, a crevice tool, and, for the canisters, a rug nozzle. Attachments that join to the wand by some sort of positive lock (see Ratings) were judged preferable to those with friction-held fittings, which can separate in the middle of a job if joined too loosely or be hard to pull apart if joined too firmly.

An important feature in the upholstery nozzle is some sort of baffle or partition in the nozzle mouth so that



The dust bag on Electrolux models was especially convenient to replace; it has a small rubber membrane that seals the opening to keep dirt from spilling out during changes



Some models are more suited to use on stairs than others. GE C12 (left) hangs over the edge of an ordinary stair tread; the Eureka 1100 (top) and Electrolux L stand firm

fringes, lace, and other trim don't get sucked in. Where nozzles have metal undersides, we judged them smooth enough to make marring of floors and walls unlikely.

Many years ago, optional spray-gun attachments that work off the cleaner's blower outlet were touted for, among other things, do-it-yourself spray painting. A few brands still offer them, but, in CU's judgment, these attachments are not satisfactory for this use. The air pressure available —one or two pounds per square foot at most—is simply not enough to atomize paint effectively unless the paint is excessively thinned.

Hazards and defects

The *Wards Cat. No. 3741*, a canister, was rated Not Acceptable owing to shock hazard. The spool of its cord reel chafed through an adjacent wire, which made the canister housing electrically "live," a potentially lethal hazard.

Our tests also showed that, under certain conditions, many machines may develop electrical leakage paths that you might feel as a slight tingling sensation should you touch a ground. It's a nuisance, but not a hazard.

During the course of testing, the on-off switch of *Eureka 2654* and the similar *Wards Cat. No. 803* and *Wizard 3462* fell apart after brief use, so the models were rated Not Acceptable. On *Shetland Lewyt 2348*, the thin plastic strip that serves as the hinge for the switch pedal broke in use —and we judged the likelihood of its cracking in home use sufficient to rate the model Not Acceptable.

Most canisters have a bumper that runs around the entire body of the cleaner, but in several (noted in the Ratings) a handle or some other projection overhangs the strip, defeating its purpose in that place, at least. The *Electrolux L* has only two short bumper segments at the front, which is not the only place the canister will run into things. Most nozzles have a bumper strip that encircles virtually the entire nozzle. Those lacking bumpers are made of rounded plastic and most of these were judged not prone to mar woodwork. The brown plastic of the *Hoover 2201*, however, did show a slight tendency to mar light-colored surfaces. Most of the uprights have strips along the front and sides of the motor housing. The *Kirby 50* has a strip only around the brush housing at the very front, leaving the rest of the cleaner body unguarded.

Prices vs. quality

Canister-model prices ranged from $29.95 for the *Weaving House I C15* and *Eureka 500B* to $199.50 for the *Electrolux G*. Note, however, that the prices quoted for both *Electrolux* models include the optional power brush, which adds $50 to the price of the same models without the options. (Prices given in the Ratings for the *Sears 7630* and the *Whirlpool U-150* also include the power-brush option.) The highest-priced upright was the *Kirby 50* at $171.70; lowest was *Eureka 2834* at $39.95.

More impressive than the price spread itself is the paucity of correlation between the quality of cleaning a model provides and its price. Our six check-rated canisters cover the full gamut of prices in their group—from the top-rated Best Buy *Sunbeam 635-24* to the *Whirlpool U-150* and *Electrolux G*. There's much less variation in prices of the check-rated uprights, but note that the highest priced of all of them is the lowest-rated of those worth considering at all.

Purchasers should read vacuum-cleaner guarantees carefully, noting whether any parts are excluded and under what circumstances. Guarantees of *Singer*, *Pennetest*, *Kirby*, and *Eureka* uprights do not cover the brush-drive belt. Using replacement parts (including, in some instances, dust bags and filters) made by someone other than the original manufacturer may void some guarantees. Buyers should also note who is responsible for satisfying claims under the guarantee. *Whirlpool* guarantees, for example, are the responsibility of the retailer, not the manufacturer. Although most models were guaranteed for one year, the duration of other guarantees varied, as the Ratings show.

Turn page for Ratings

RATINGS OF VACUUM CLEANERS

Within types, listed, except as noted, in order of estimated overall quality based on laboratory tests and engineering judgments. Most performance and convenience factors are mentioned only where they were judged significantly above or below average. Except as noted, all models are for use on a-c only and carry a 1-yr. guarantee. Prices are list; discounts are generally available for most brands.

CANISTER MODELS

Weights include cord, but not hose and attachments. All models use disposable dust bags. Except as noted, each model has a rug nozzle 2 to 2¾ in. high, a line cord approximately 16 to 20 ft. long, a floor-and-wall brush, a dusting brush, an upholstery nozzle, and a crevice tool; each has a suction regulator on the hose, interlocking hose, wands, and rug nozzle, and can be used as a blower.

ACCEPTABLE

SUNBEAM 635-2A (Sunbeam Corp., Chicago), $39.95. 13¼ lb. Above-the-floor cleaning, excellent; highest suction of any model tested. Carpet-cleaning efficiency, above average for a canister model, highest of any tested without an electrically driven brush. Relatively noisy. Compartment inside for storing 3 attachments. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Friction-connected wands and hose. 2-yr. guarantee on hose. *A BEST BUY.*

SUNBEAM 660 (Sunbeam Corp.), $99.95. 15¾ lb. Above-the-floor cleaning, very good. Carpet-cleaning efficiency, slightly above average for a canister model. Dust-bag capacity, larger than average. Plastic satchel for storing attachments. 5-yr. guarantee on hose.

SEARS KENMORE 7600 with attachment set 7880 (Sears, Roebuck), $109.95. Available only in Sears stores. 17¼ lb. 2-speed motor. Above-the-floor cleaning, fair-to-good. Carpet-cleaning efficiency, above average for a canister model; comparable to that of the fully tested uprights. Surface-litter pickup, better than average for a canister model. Dust-bag capacity somewhat smaller than average. Rug nozzle has electrically driven brush 3 in. high; judged very easy to push on CU's test rugs. Storage on top of cleaner for all attachments but rug nozzle. Crevice tool has off-center design for use close to wall. Automatic cord winder and foot-treadle on-off switch judged convenient. Also available without power brush for $79.95.

WHIRLPOOL V-150 with [illegible] (Whirlpool Corp., Benton Harbor, Mich.), $152.90. 17½ lb. 2-speed motor. Above-the-floor cleaning, fair-to-good. Carpet-cleaning efficiency, above average for a canister model; comparable to that of the fully tested uprights. Rug nozzle has electrically driven brush judged very easy to push on CU's test rugs. Has headlight. Dust-bag capacity larger than average. Compartment inside cleaner for storing attachments. Cannot be rolled about while in use as a blower. Foot-treadle on-off switch judged convenient. 21¼-ft. line cord. 1-yr. guarantee is dealer's responsibility. Also available without power brush for $119.95.

ELECTROLUX G (Electrolux Corp., NYC), $199.50. 17 lb. A-c or d-c. Above-the-floor cleaning, good. Carpet-cleaning efficiency, above average for a canister model; comparable to that of the fully tested uprights. Rug nozzle has electrically driven brush judged very easy to push on CU's test rugs, but nozzle would not stand upright by itself. Surface-litter pickup better than average for a canister model. Dust-bag capacity relatively small, but replacement judged particularly convenient (see story). Louvers on exhaust duct direct air upward to avoid blowing dust about on floor. One of the quietest models tested. Floor and wall brush combined with rug nozzle. Dusting brush converts to upholstery nozzle; storage for this attachment on top of cleaner. Friction-connected wands and hose. Automatic cord winder judged convenient. 2-yr. guarantee on cleaner; 1-yr. on hose, wands, and other external components. Also available without power brush for $149.75.

ELECTROLUX L (Electrolux Corp.), $149.50. 12¾ lb. Similar to *Electrolux G*, preceding, except does not stop automatically when bag needs replacement, lacks automatic cord winder, crevice tool, and caster wheel, and has protective bumper at front only instead of all around. Also lacks exhaust louvers, but is still less likely to disturb floor dust than most others tested. Judged quieter than most models tested but not as quiet as the *Electrolux G*. All other comments apply. Also available without power brush for $99.75.

EUREKA 1100 (Eureka Williams Corp., Bloomington, Ill.), $129.95. 19½ lb. A-c or d-c. 2-speed motor. Above-the-floor cleaning, very good. "Vibra-Vac" rug nozzle offers choice between conventional and beating operation (see story); latter use gave good surface pickup but reduced carpet-cleaning efficiency slightly within average range for a canister model. Dust-bag capacity somewhat larger than average; indicator shows when bag needs replacement, but operates at high speed only. Relatively noisy; extremely noisy when using beating action. Carrying case for storing attachments and hose. Suction control on canister. Friction-connected hose and wands. Automatic cord winder and foot-treadle on-off switch judged convenient.

WARDS SIGNATURE Cat. Nos 375A (Montgomery Ward), $109.95 plus shipping. Essentially similar to *Eureka 1100*, preceding, except weighs 19 lb. All other comments apply.

¶ *The following cleaners ranked slightly lower in estimated overall quality than those preceding.*

GENERAL ELECTRIC VT-2 (General Electric Co., Bridgeport, Conn.), $72.95. 18¼ lb. Above-the-floor cleaning, fair-to-good. Carpet-cleaning performance, slightly below average, but surface-litter pickup better than average for a canister model. Relatively quiet. Convenient tray on top of cleaner for storing attachments. Suction regulator on canister. Automatic cord winder and foot-treadle on-off switch judged convenient.

SINGER C-7 (Singer Co., NYC), $79.95. 21½ lb. Above-the-floor cleaning, fair-to-good. Surface-litter pickup, below average for canister model. Dust-bag capacity, largest of any tested. Relatively noisy. Compartment inside cleaner for storing attachments. Friction-connected wands and hose. Suction control on canister. Cannot be rolled about while in use as a blower. Automatic cord winder and foot-treadle on-off switch judged convenient.

SINGER E-9 (Singer Co.), $39.95. 11¼ lb. Above-the-floor cleaning, fair-to-good. Dust-bag capacity, somewhat smaller than average. Suction control on canister. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Friction-connected wands and hose. Cannot be rolled about while in use as a blower.

WESTINGHOUSE VS30 (Westinghouse Electric Corp., Mansfield, Ohio), $74.95. 13¼ lb. Above-the-floor cleaning, fair. Dust-bag capacity, smaller than average; indicator shows when bag needs replacement. Relatively noisy. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Cannot be rolled about while in use as a blower. Automatic cord winder judged convenient. 5-yr. guarantee on power unit; 1-yr. on attachments, cord, and hose.

WESTINGHOUSE VC15 (Westinghouse Electric Corp.), $29.95. 9¼ lb. Rug nozzle 3¾ in. high. Above-the-floor cleaning, fair. No floor-and-wall brush, but rug nozzle is designed for use on bare floors.

THE WESTINGHOUSE CONVERTO-VAC

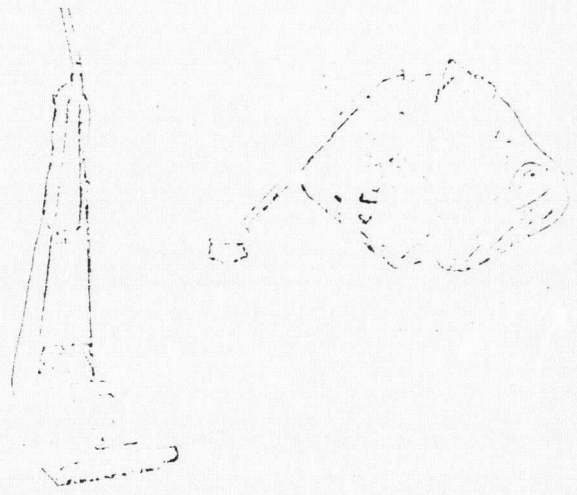
The canister cleaner and the upright cleaner have always been distinct breeds, though each offers attachments designed to ape the other's strong points. The *Westinghouse UC30 Converto-Vac*, $99.95, is the first cleaner CU has tested that appeared to have been designed as a cross between the two.

The *Converto-Vac* looks like a canister with an upright's guiding handle, or like an upright with an oversized motor housing but no dust bag. The main body of the cleaner, dust bag inside, has a rotating brush, two transverse carrying grips on the guiding handle, a headlight, four wheels, a brush-height adjustment—all the trappings of an upright. To make a canister out of it, you detach the guiding handle (leaving behind one of the transverse carrying grips), turn a switch that shuts off the headlight and the separate motor that drives the brush, and plug the attachment hose into its outlet on the front of the unit. The unit has an indicator to signal a full dust bag, and, like most canisters, a suction control on the wand and the usual canister attachments, including a combination floor and rug nozzle.

We went along with the dual nature of this machine by putting it through both the upright and the canister testing programs, scoring each separately. As an upright, *Converto-Vac* cleaned carpets as efficiently as the other fully tested uprights. As a canister, its deep-cleaning and above-the-floor performance were about average for the type, its surface-litter pickup, slightly below average.

As a canister, however, *Converto-Vac* is heavier than average at 20¾ pounds. Saddled with the uprights' fixed wheels, it was much less maneuverable than most other canisters. It's low-slung chassis hung up on CU's test door sill and was unsuitable for use on stairs.

Should you buy a *Converto-Vac*? It is by no means outstanding, but it did an adequate job as either canister or upright at little sacrifice of convenience. Better overall performance with comparable versatility can be found, we'd say, in any of the canisters with an electrically powered brush.



No suction control. Cannot be used as a blower. Narrow wire carrying handle judged relatively uncomfortable and may pinch fingers.

EUREKA 500 B (Eureka Williams Corp.), $29.95. 9¾ lb. A-c or d-c. Above-the-floor cleaning, fair-to-good. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. No suction control. Friction-connected hose and wands. Less convenient than others for use on stairs. Cannot be used as a blower.

EUREKA 730 (Eureka Williams Corp.), $49.95. 13¾ lb. A-c or d-c. Above-the-floor cleaning, fair-to-good. Surface-litter pickup below average for a canister model. Attachment storage on top of cleaner. Friction-connected hose and wands. Less convenient than others for use on stairs. Automatic cord winder judged convenient.

WIZARD Cat. No. 3651 (Western Auto Supply Co., Kansas City, Mo.), $39.95. 11¼ lb. A-c or d-c. Essentially similar to *Eureka 730*, preceding, except for trim and following differences: No floor-and-wall brush, but rug nozzle is designed for use on bare floors; plastic holder fits within cleaner to permit storage of tools inside, but holder should be removed when cleaner is in use or effective capacity of dust bag will be reduced; lacks automatic cord winder. All other comments apply.

¶ *The following cleaners had deficiencies in performance or convenience, or both, judged more serious than those of preceding models.*

SUNBEAM 677 (Sunbeam Corp.), $79.95. 19¾ lb. Above-the-floor cleaning, good. Carpet-cleaning efficiency, above average but surface-litter pickup below average, for a canister model. Relatively quiet. Compartment inside cleaner for storing 3 attachments. Indicator to show when bag needs replacement responded somewhat prematurely in CU's tests. Automatic cord winder and foot-treadle on-off switch judged convenient. 14½-ft. cord. 5-yr. guarantee on hose.

GENERAL ELECTRIC C-12 (General Electric Co.), $42.95. 12 lb. Above-the-floor cleaning, fair-to-good. Carpet-cleaning efficiency, slightly below average for a canister model. No suction control. Relatively noisy. Wide-mouth dust bag judged relatively inconvenient to install and messy to remove. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Less convenient than others for use on stairs.

SHETLAND/LEWYT 2385 (Shetland Co., Inc., Salem, Mass.), $37.95. 10¾ lb. Above-the-floor cleaning, fair. Carpet-cleaning efficiency, slightly below average for a canister model. Dust bag has plastic window to show amount of dirt accumulated. Suction control on canister. Holder on top of cleaner for storing 3 attachments. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Cannot be rolled about while in use as a blower. Sharp edge on lid release near carrying handle judged a hazard. 3-yr. guarantee on hose.

WHIRLPOOL V-100 (Whirlpool Corp.), $53.50. 13 lb. Rug nozzle 3 in. high. Above-the-floor cleaning, fair-to-good. Carpet-cleaning efficiency, below average for canister model. No suction control. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Friction-connected hose and wands. Cannot be rolled about while in use as a blower. On-off switch inconveniently located on underside of canister. 1-yr. guarantee is dealer's responsibility.

SEARS KENMORE Cat. No. 7740 (Sears, Roebuck), $38.95 plus shipping. 13¾ lb. Rug nozzle 3¼ in. high. Above-the-floor cleaning, fair-to-good. Carpet-cleaning efficiency, below average for a canister model. Dust-bag capacity somewhat smaller than average. No suction control. Storage on top of cleaner for 3 attachments. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Friction-connected hose and wands. Cannot be rolled about while in use as a blower. Automatic cord winder judged convenient.

HOOVER 2201 (Hoover Co., North Canton, Ohio), $64.95. 20 lb. A-c or d-c. Above-the-floor cleaning, fair. Carpet-cleaning performance,

VACUUM CLEANER RATINGS continued

below average for a canister model; rug nozzle judged relatively difficult to push on CU's test rugs. Provision inside cleaner for storing attachments and hose. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Color ruboff from rug nozzle and other attachments may mark light-colored surfaces. Automatic cord winder and telescoping wand judged convenient. 15½ ft. cord.

HOOVER 2010 (Hoover Co.), $39.95. 15½ lb. Ac or dc. Above-the-floor cleaning, fair. Carpet-cleaning efficiency lowest of any model tested. Rug nozzle judged relatively difficult to push on CU's test rugs. Dust-bag capacity somewhat smaller than average. No suction control. Compartment inside cleaner for storing 3 attachments. No floor-and-wall brush, but rug nozzle is designed for use on bare floors. Wand telescopes conveniently. Canister has only 2 wheels; their placement at rear of unit causes front to drag unless lifted (see story).

PENNCREST Cat. No. 0018 (J. C. Penney), $39.87 plus shipping. 15¼ lb. Essentially similar to *Hoover 2010*, preceding, except has third wheel so that it rolls about easily and plastic satchel for storing attachments. All other comments apply.

NOT ACCEPTABLE

¶ *The following models were rated Not Acceptable for the reasons noted. Listed alphabetically.*

SHETLAND/LEWYT 234B (Shetland Co., Inc.), $69.95. Foot pedal that operates on-off switch was judged flimsy; it broke off after a short period of normal use. Switch operation without pedal is very inconvenient.

WARDS SIGNATURE Cat. No. 374A (Montgomery Ward), $39.95 plus shipping. Spool on automatic cord winder chafed through an adjacent wire, making the canister housing electrically live, a potentially lethal hazard.

UPRIGHT MODELS

Except as noted, each model had very good carpet-cleaning efficiency and surface-litter pickup, was judged easy to push on CU's test rugs, has a convenient switch on the handle, a zippered outer dust bag with a disposable inner one, and a line cord 17 to 20 ft. long. Unless otherwise indicated, optional attachments sets include interlocking hose, wands, floor-and-wall brush, upholstery nozzle, dusting brush, and crevice tool.

ACCEPTABLE

HOOVER 1060 (Hoover Co.), $79.95. 17 lb. Housing 6½ in. high. Convenient 2-position rug-nozzle height adjustment. No brush wear adjustment, but bristles are replaceable. Relatively quiet. Has headlight. Attachment set *No. 1061*, $24.95, includes telescoping wand and attachment storage bag. Conversion to attachment use convenient; motor switches automatically to higher speed setting to provide more suction, but latter was still about average for an upright. This model supersedes *Hoover 70* ($74.95), which the manufacturer says has been discontinued but may still be available in some stores; the two models are essentially similar except for housing and color.

PENNCREST Cat. No. 0620 (J. C. Penney), $64.87 plus shipping. Essentially similar to *Hoover 1060*, preceding, except weighs 19½ lb. and has different housing and convenient automatic cord-winder that requires 1¼ in. added clearance over housing height if cleaner is pushed under furniture more than about 1¼ ft. All other comments apply. Attachment set *Cat. No. 0533.4*, $8.87 plus shipping (not tested), appears similar to *Hoover 1061* in preceding Rating, but has telescoping wand and lacks dusting brush and floor-and-wall brush.

SINGER U-42 (Singer Co.), $79.95. 17 lb. Housing 5½ in. high. 2 motor speeds for regulating suction. Convenient 2-position rug-nozzle height adjustment. No brush wear adjustment, but bristles are replaceable. Relatively noisy. Has headlight and transverse carrying handle.

EUREKA 238A (Eureka Williams Corp.), $39.95. 16¼ lb. Housing 6¼ in. high. 2-position rug-nozzle height adjustment inconveniently located on underside of cleaner. Revolving brush can be set to alternate position to compensate for brush wear. Unguarded metal handle-release lever extends beyond bumper at rear of housing. Has foot switch.

HOOVER 1120 (Hoover Co.), $79.95. 18 lb. Ac or dc. Housing 6½ in. high. No rug-nozzle height adjustment, but suction may be regulated. Highest suction of all uprights tested (but see story). No brush wear adjustment, but bristles are replaceable. Disposable bag fits into handle assembly; some dirt may fall out if manufacturer's instructions as to cleaner position aren't followed when changing bag. Has transverse carrying handle and indicator to show when bag needs replacement. Relatively noisy. Conversion to attachment use judged convenient. Attachment set *1121*, $24.95, includes telescoping wand and attachment storage bag.

WHIRLPOOL LV-55 (Whirlpool Corp.), $59.95. 18 lb. Housing 5½ in. high. No rug-nozzle height adjustment. Revolving brush may be set to alternate position to compensate for brush wear. Relatively quiet.

WESTINGHOUSE VK05 (Westinghouse Electric Corp.), $59.95. 15½ lb. Housing 5½ in. high. Cam-type rug-nozzle height control provides continuous adjustment over range available. No brush wear adjustment. Lowest suction of any model tested. Relatively noisy. Has foot switch, transverse carrying handle, and caster wheel on adjuster plate; maneuverability judged relatively good. 5-yr. guarantee on power unit. Conversion to attachment use judged fairly convenient. Attachment set *L-103*, $16.95, lacks dusting brush. According to the manufacturer, this model has been discontinued but may still be available in some stores.

GENERAL ELECTRIC U-5 (General Electric Co.), $51.95. 15¾ lb. Housing 7 in. high. No rug-nozzle height adjustment; bleed valve permits choice of regular or low suction. Revolving brush can be set to additional positions to compensate for brush wear. Unguarded metal handle-release lever extends beyond bumper. Has foot switch. Conversion to attachment use judged convenient; motor switches automatically to higher speed to provide more suction, but latter was still about average for an upright. Deluxe attachment set *A5*, $14.95, includes drapery nozzle. Standard attachment set *A4*, $9.95 (not tested), lacks drapery nozzle and floor-and-wall brush.

KIRBY 50 (Scott and Fetzer Co., Cleveland), $171.70. 16¾ lb. Ac or dc. Housing 7½ in. high. 29-ft. line cord. Convenient 7-position rug-nozzle height adjustment. Suction control on rug nozzle. Screw-type adjustment for brush wear. Permanent cloth dust bag judged somewhat messy to empty and less convenient than paper bag. Bumper strip extends only around brush housing; other areas of cleaner body unguarded. Has foot switch and headlight. Also available with attachments (not tested) at $203.15. Other accessories available include a floor polisher, knife sharpener, waxer, and rug shampooer.

NOT FULLY TESTED

¶ *The following model was not fully tested because, in CU's tests, its rug cleaning ability was no better than that of the average canister model.*

SEARS KENMORE Cat. No. 6590 (Sears, Roebuck), $78.95 plus shipping.

NOT ACCEPTABLE

¶ *The following models were rated Not Acceptable because of a poorly designed on-off switch that fell apart after short use. Listed alphabetically.*

EUREKA 265A (Eureka Williams Corp.), $99.95.

WARDS SIGNATURE Cat. No. 803 (Montgomery Ward), $54.95 plus shipping.

WIZARD Cat. No. 3462 (Western Auto Supply Co.), $69.95.

E77

CORPORATION
ST. PAUL DIVISION
ST. PAUL, MINNESOTA 55106

Px 64

December 20, 1968

Mr. David Oreck
c/o McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana

SUBJECT: Models AP-8, AP-18 Electric Attachment

Dear Dave:

Replying to your letter of December 13th, we advise that the St. Paul Division will continue to supply this model so long as it's within our ability to do so. However, you should be aware that this product was originally tooled in 1960 and that these tools and facilities are gradually wearing out and are, in fact, in their later stages of serviceable life. Furthermore, our suppliers of components, particularly the electric motor, are experiencing production problems associated with the age of this design. As this tooling ages we incur extra costs in manufacture due to the necessity to cut, fit, polish, and patch facilities in order to produce first class parts. In my judgment I feel that within the term of the new franchise conditions may become so difficult that production of this model would be beyond Whirlpool's reasonable control. (See Paragraph 9 of the Franchise.)

Therefore we recommend that your offers to the marketplace be based on known availabilities and that future plans provide for the retirement of this model. In the meantime we are proceeding with commitments on your P.O. 102168 and will promise availabilities as soon as our vendors have confirmed their best delivery dates to us.

Regards,

John D. Payne, Product Manager
Contract Sales Division

lm
cc: M. Oreck

P.S. Dave, because of the above reasons each new production requirement for Model AP-8 and/or AP-18 will have to be individually priced and quoted to you.

bcc: L. Holder
J. Wooldridge
D. Smith
G. Gardner
R. Gorman
R. Ward
L. Ross

CORPORATION / One Rockefeller Plaza / New York, N.Y. 10020 / LT 1-0743

Exclusive National Distributor
Whirlpool *Home Cleaning Systems*

December 13, 1968

Mr. John Payne
Whirlpool Corporation
850 Arcade Street
St. Paul, Minnesota

Dear John:

I just noticed on your physical inventory sheet that you asterisk the AP18 and say that it is "status discontinued."

I trust this is an error, because as you know, we are running this model. It is one of the two models covered in our contract.

Please correct your sheet so that there will be no future misunderstanding.

Cordially,

David Oreck

DO:af

E79

PX 65

April 10, 1969

TO: John Payne
Gene Gardner

You will recall that I previously advised you that the tooling which produces #720861 swivel tube for the AP-18 is in very poor condition. As a matter of fact, our supplier (Juno Tool) advised us that it is impossible to run any additional parts due to its present condition.

We have been further advised that the cost to rebuild this will be approximately $865.00 and will take about 8 weeks to accomplish.

If we expect to run additional parts for July production, it is necessary that we have immediate authorization to rebuild this mold.

Yours very truly,

B. L. Riehm

B. L. Riehm

bao

cc: R. Gorman

Whirlpool CORPORATION

E80

Administrative Center

PX 66

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

April 3, 1968

Mr. David Oreck
President
McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana 70123

Dear Dave:

This is to advise you that any future runs of Model AP-18, because of cost increases, will be at an increased price.

Our Cost Department at St. Paul is presently gathering the figures for not only the AP-18 but all other models; and as soon as we have definite figures, we will promptly advise you.

With all good wishes, I am

Sincerely yours,

S. E. Sweet
Director
Residential & Commercial Department

SES:fmg

cc: Messrs. J. F. Bourquin
J. D. Payne

E81 Fairfood

CORPORATION

ST. PAUL DIVISION

PX 70

December 16, 1963

TO: Mr. J. M. Wooldridge

SUBJECT: Oreck AP-8 and AP-13 Attachment

REFERENCE: 10/9/63 Preliminary Sales Release

Dear Jack:

The basic primary objective of the attached Preliminary Sales Release was to initiate a study of this product and to make recommendations based upon technical opinions for future project direction.

On December 12 recommendations and cost details were reviewed by the study group. These viewpoints and guesstimates are contained in the attached report from Division .

In view of the manufacturing difficulties a[illegible] procurement problems and cost increases due to worn tooling and obsolete components, we ask your approval of the "BEST BUY" suggestion contained herein. Because of the Corporate Policy relating to engineering on Oreck products, further action on our part is frozen until we receive your direct approval.

Yours truly,

John D. Payne

lm

cc: L. Holder

R. Beaux

WHIRL[illegible]RPORATION
St. Paul E82 ntract Sales
[illegible]ons

75

MEETING REPORT

COMPANY VISITED: Mr. David Oreck - at - McDonald Sales Corp.
Oreck Corporation 5500 Jefferson Hwy.
Stamford, Conn. New Orleans, La.

DATE OF VISIT: April 21, 1969

PURPOSE OF VISIT:
1. Discuss factors causing discontinuance of AP-18.
2. Present proposed superseding Model AP-1800.
3. Miscellaneous

PERSONS CONTACTED: Mr. David Oreck

RESULTS:

1. Reluctantly, Mr. Oreck agrees to discontinuance of AP-18 model after conclusion of July production run on OTM2469. He requests that La Porte buy spares for anticipated lifetime requirements concurrent with our last buy.

2. Mr. Oreck accepts price increase on OTM2469.

3. Mr. Oreck accepts superseding model AP-1800 but desires sweep strip and different aesthetic appearance treatment.

4. Miscellaneous - See Attachment.

PRESENT FOR WHIRLPOOL: John D. Payne

John D. Payne
Products Manager

lm
cc: J. Wooldridge
L. Holder
T. Scheitlin)
G. Voda) R. Deaux
L. Murray
A. Erickson
D. Smith
R. DeWitte
G. Gardner

Px 77

E83

V

MCDONALDSALES

JUNE 9, 1970
MR. JOHN PAYNE
WHIRLPOOL CORPORATION
WHIRLPOOL ADMINISTRATIVE CENTER
BENTON HARBOR, MICHIGAN

URGENT! URGENT! OUR SUPPLY OF CAP18'S ARE NOW DOWN TO FIVE DAYS. YOU HAVE BEEN WORKING ON THE NEW MODEL FOR EIGHT MONTHS. WE'VE HAD AMPLE LEAD TIME FOR ALMOST ANY CONTINGENCY. YOU MUST HAVE THE CAP33 PRODUCED NOW. WE HAVE ONLY TWO MODELS TO SELL AND WE CANNOT AFFORD TO BE OUT OF STOCK. I HAVE TENS OF THOUSANDS OF DOLLARS OF ADVERTISING THAT WILL BE COMPLETELY LOST IF I CANNOT MAKE DELIVERY. PLEASE DO NOT LET ME DOWN. CALL ME AND ADVISE.

DAVID ORECK

MCDONALDSALES

JUNE 9, 1970
MR. BILL HOLDER
WHIRLPOOL CORPORATION
WHIRLPOOL ADMINISTRATIVE CENTER
BENTON HARBOR, MICHIGAN

URGENT! URGENT! OUR SUPPLY OF CAP18'S ARE NOW DOWN TO FIVE DAYS. YOU HAVE BEEN WORKING ON THE NEW MODEL FOR EIGHT MONTHS. WE'VE HAD AMPLE LEAD TIME FOR ALMOST ANY CONTINGENCY. YOU MUST HAVE THE CAP33 PRODUCED NOW. WE HAVE ONLY TWO MODELS TO SELL AND WE CANNOT AFFORD TO BE OUT OF STOCK. I HAVE TENS OF THOUSANDS OF DOLLARS OF ADVERTISING THAT WILL BE COMPLETELY LOST IF I CANNOT MAKE DELIVERY. PLEASE DO NOT LET ME DOWN. CALL ME AND ADVISE.

WHIRLPOOL CORPORATION

Contract Sales Division

PX 78

Trip Report

May 11, 1970

COMPANY VISITED

Oreck Corporation
New Orleans, La.

DATE OF VISIT:

May 6, 1970

PERSONS CONTACTED:

Mr. David Oreck
President
Oreck Corporation

PURPOSE OF MEETING:

1. Present CAP-33 Product Changes and Revised Pricing
2. Present CVR-3000 Product and New Pricing
3. Present Suction Attachment Set Pricing
4. Discuss Schedules
5. Discuss Aesthetic Change Proposals from Engineering and Milan
6. Miscellaneous

New Model Goal
Retain Profitability
Expand Market
by building Box
to demand

PRESENT FOR WHIRLPOOL:

Mr. John Steeb,
General Manager, Contract Sales

John D. Payne

RESULTS:

See attachment

jmwb

John D. Payne
Product Manager
Contract Sales Division

cc: J. Wooldridge
J. Steeb
L. Holder
R. Deaux
R. Ward

I. Presented CAP-33 as per below and submitted revised pricing.

ELECTRIC ATTACHMENT SET
Model CAP-33
Changes and Additions

I. HOSE AND CORD

A. A 15' 1-1/4" diameter suction hose replaces the rejected 6' current carrying hose.

B. An 18' SJT 3 wire grounded service extension cord replaces the rejected 6' current carrying hose.

C. A standard 3 wire grounded male plug is located at the canister end of the service extension cord. (Replaces 2 wire male plug)

D. A special 3 wire grounded polarized connector is located at the opposite end of the service extension cord. (Replaces 2 wire female connector)

E. A total of 11 detachable vinyl cord retainers are supplied to fasten the service extension cord to the suction hose.

F. A swivel hose connection is located at the input end of the suction hose.

G. A modified (threaded and glued) hose terminal connector is located at the discharge end of the suction hose.

II. POWER HEAD MOTORIZED NOZZLE ASSEMBLY

A. A special shielded polarized 3 wire male plug is located at the upper portion of the wandle for power supply and grounding connection.

B. Two special nylon cord clamps are required to attach the motorized nozzle supply cord to the Wandle.

C. A larger strain relief is required to protect the supply cord where it enters the nozzle die casting.

D. A new grounding boss has been added to the die casting to accept the grounding wire.

E. Incorporates U.L. suggestions received to date for approval on separate listing basis. Additional suggestions should not be ruled out at this point.

resented CVR 3000 as per below and submitted revised pricings:

UPRIGHT VACUUM CLEANERS
MODEL CVR-3000
CHANGES FROM CVR 2000

A. A 24 foot SJT (3) wire grounded service cord replaces 24 foot SJT (2) wire cord.

B. A standard (3) wire grounded male plug replaces (2) wire male plug.

C. A Heyco spring guard strain relief replaces the rubber guard and knot in wire strain relief.

D. New threaded post and prevailing torque screw replaces the Tinnerman speed nuts and screws with lock washers for improved handle grip mounting (will be incorporated as a running change.)

E. The addition of a hex-head screw on handle to meet U.L. grounding requirements in switch area.

F. A special nylon cord clamp on lower handle tube to meet U.L. requirements replaces gripping of the lower cord on the yoke.

G. A SJT (3) wire grounded lower cord replaces the SJT (2) wire lower cord.

H. A larger strain relief is required to protect the cord where it enters the nozzle die casting.

I. A new grounding boss has been added to the nozzle die casting to accept the grounding wire.

J. A double ball bearing motor will replace motor with ball bearing on belt end and sleeve bearing on opposite end to improve motor life (will be incorporated as a running change.)

3. Presented AS-10 attachment kit revisions as per below and pricing, etc.

Model CS-10 to be the same as model AS-10 except to incorporate a 10' hose length and to incorporate 722451 hose terminal.

Model CS-15 to be the same as model AS-10 except to incorporate a 15' hose length and to incorporate 722451 hose terminal.

Model CS-20 to be the same as model AS-10 except to incorporate a 20' hose length and to incorporate 722451 hose terminal.

4. Discussed schedules

May pilots and June production set for CAP-33 and CVR 3000.

May samples for marketing evaluation of AS-10 kits revised to CS-10 and 15 and 20.

Dave desires a 60° day supply in routine inventory planning

5. Submitted Engineering proposal to eliminate breaking handles and vendor proposal of a different dust bag cover material. Oreck Corp. to review and recommend and advise.

6. Miscellaneous

Eng. A. Received a photo of a Gang Cleaning setvup of 3 CVR 1000 in one unit. For Engineering Review and Return.

Mktg. B. New Oreck Regional Sales Managers-
Mr. Marshall Jones - California
Mr. Wynn Parker - East Coast
Mr. John Paestrich - Mid-West

Mktg. C. Received 46 page listing of institutions using Whirlpcol Floor Care Equipment .

Policy D. Received an inquiry from David Oreck to consider building a non Whirlpool brand cleaner for him. Perhaps using his own name or some name to be determined.

Mktg. E. Received promotional banners offering free cleaner with Barwick Carpeting.

Mktg. policy related F. Received a number of comments relative to distribution and marketing of small electrical products thru major electrical product distribution systems. It was represented that many have tried to combine low and high value products within the same system and many, not all, have failed. He emphasized the differences versus the common factors, etc.

John D. Payne

JDP:mwa

Whirlpool CORPORATION

E88

Administrative Center

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

August 29, 1968

Mr. David Oreck
Oreck Corporation
195 Shippan Avenue
Stamford, Connecticut 06901

Dear David:

Attached herewith are two copies of the modified General Release and two executed copies of the amended Agreement between you and Whirlpool along the lines discussed in our phone conversation today.

Please execute the necessary copies and return them promptly.

With reference to Paragraph No. 2 in the Agreement, it is understood that from time to time you may find it necessary to request we consider making either of the two products described without the Whirlpool name. Such a request will, of course, be given proper consideration, but sole determination as to whether we build them or not remains with Whirlpool. Also, any and all costs in connection with the name change will be borne by you.

With all good wishes, I am

Sincerely yours,

S. E. Sweet
Director
Residential & Commercial Department

SES:fmg
Encls. - 4

cc: Mr. J. D. Sparks

DAVID ORECK- E89 TR 27 Pg 81 -

DATE 7/29 19

DICTEE AS FOLLOWS FOR AIRWAY SANITIZER
POWER-UPRIGHT ONLY (NO HOSE)
PAINT: NOZZLE CASTING 72136A (AQUA)
FTS HOOD PART# 72141B - (WHITE)
QUANTITIES 3M 5M 10M 15M

QUOTE AS FOLLOWS FOR REXAIR
POWER UPRIGHT ONLY (NO HOSE)
PAINT: UNPAINTED
1M 5M 10M

SIGNED

DATE 19

David -
If we can't give quotes as the customers request - we are going to drop the ball on this business also — we can't wait to used to come up with a question - What were you telling me about developing a sense of urgency?

Ebury

SIGNED

SNAP-A-WAY FORM 44 912 3 PARTS
WILSON JONES COMPANY © 1961 PRINTED IN U.S.A.
SNAP-A-WAY AND PATENTS PENDING WITH CARBON INTACT

Draft: May 13, 1971

E90

PX95

TO: FILE

FILE: Telephone Conversation with David Oreck
May 10, 1971 in re expiration of Agreement
Between Whirlpool Corporation and Oreck Corporation
dated August 1, 1968.

1. I told David Oreck I had received a copy of his letter of April 20, 1971 to our Mr. Gray. Since in this letter he indicated that he was looking forward to future sales of vacuum cleaners in the years ahead, I told him I felt that it was in order to remind him that the subject agreement, by its terms, expires December 31, 1971. I advised him that the matter had been reviewed with Whirlpool management and there would be no extension or renewal of the agreement.

2. He commented as follows:

a. He wants to continue distribution of the Whirlpool vacuum cleaner.

b. Termination of the subject agreement would "put him out of business."

c. He was not prepared to accept termination of the agreement on December 31, 1971.

d. He envisioned considerable difficulty concerning service, warranty obligations and field repair of

vacuum cleaners already sold. He stated there would be approximately 200,000 of the units he has been selling in the field by the end of 1971.

3. Oreck stated he has set aside the week of May 25 for a meeting with Jack Sparks and me.

J. G. S.

Whirlpool Corporation

E92

Administrative Center

PX 96

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

May 14, 1971

Mr. David Orock
McDonald Sales Corporation
Post Office Box 23507
New Orleans, Louisiana 70121

SUBJECT: Expiration of Agreement of August 1, 1968 between Whirlpool Corporation and Orock Corporation

Dear Dave:

This letter is to confirm our telephone conversation of May 10.

I advised you during our conversation that I received a copy of your letter of April 20, 1971, to our Mr. Gray. Since in your letter you indicated that you were looking forward to future sales of vacuum cleaners in the years ahead, I felt that it was in order to call and remind you that the subject agreement expires, by its terms, December 31, 1971. As I informed you during our conversation, the matter of renewal or extension of the agreement has been reviewed with Whirlpool management and the agreement will not be renewed or extended beyond its expiration date, December 31, 1971.

Very truly yours,

John G. Steeb

John G. Steeb
General Manager
Contract Sales

JGS:mj

cc: J. D. Sparks

Whirlpool

E93

Px 97

Administration Center

BENTON HARBOR MICHIGAN 49022

JACK D. SPARKS
GROUP VICE PRESIDENT

June 21, 1971

Mr. David Oreck
Oreck Corporation
c/o McDonald Sales Corporation
Post Office Box 23507
New Orleans, Louisiana 70121

SUBJECT: Expiration of Agreement dated August 1, 1968 between Whirlpool Corporation and Oreck Corporation

Dear David:

On May 10, 1971, you were advised orally, and on May 14, 1971, in writing, that upon expiration of the Agreement between Whirlpool and your company dated August 1, 1968, it would not be renewed or extended.

On May 12, 1971, you wrote Mr. Gray with respect to this subject, and at his request Mr. Steeb and I met with you, advising you at the outset of our meeting that a management decision had been reached and that we did not propose to discuss that decision or the reasons for it with you but would listen to anything you had to say.

At this meeting, you basically reiterated the contentions and position stated in your letter of May 12. We deem it unnecessary to reply specifically to your various allegations. Suffice it to say that we find them generally inaccurate and without substance or merit. The decision of management remains unchanged. The Agreement which, as you know, expires by its terms on December 31, 1971, will not be extended or renewed.

We shall of course cooperate with you, as we hope you will cooperate with us, in the winding-up procedures.

Very truly yours,

Jack D. Sparks

JDS/hv

WHIP E94 ORPORATION

Contract Sales Division

PX 98

Trip Report

PLACE:

Whirlpool Corporation
Ad Center
Benton Harbor, Mich.

DATE:

February 18, 19, 1971

PURPOSE:

1. Reviewed Oreck franchise and reported achievement of all provisions, etc.

2. Urged Oreck's franchise continuation - urged application of paragraph #14 - urged reasoned decision making process per Lou S. Allen, etc.

3. Miscellaneous -

   a. Discussed Central Vacuum Marketing

   b. Obtained model 50 Service Training Films

   c. Discussed Oreck payment history

PERSONS CONTACTED:

Mr. John Steeb, General Manager OEM Sales
Mr. William Houseal - Legal Dept.
Mr. Vince Miller - Service Training Manager
Mr. Bill Neylor - General Manager, Accounting
Mr. Ralph Kapalcznsky - Accounting

RESULTS:

Reviewed and urged and discussed. Presented combination photo and letter endorsement booklet.

John D. Payne
Product Manager
Contract Sales Division

mwa

cc: J. Steeb
L. Holder

E95

PX 99

TO Marshall Oreck,
Vice President & General Manager
Oreck Corporation
18 Elmcroft Road
~~Stamford, Conn.~~ 06902

Whirlpool Corporation St. Paul Division
850 ARCADE STREET ST. PAUL, MINNESOTA 55106
Area Code 612 776-8511

SUBJECT Orders to Manufacture dated 7/12/71 | ATTENTION | DATE July 26, 1971

Reference: OTM-71271-1 for 25,000 CVR 2000
OTM-71271-2 for 10,000 CAP 33
OTM-71271-3 for 3,000 CVR 3000

Dear Marshall

I am returning your most recent orders to manufacture Whirlpool vacuum cleaners for your adjustment of the quantities of each model required.

It is my understanding that we are to fully satisfy the needs of the franchise and conclude the Production, Inventory, shipment, billing and receive payment for the products by December 31st of this year.

The quantities of products you have ordered on these authorizations exceed your last shipment forecast and should therefore be adjusted to suit actual needs for this period.

According to my calculations OTM-71271-1 should be reduced to 8000 CVR 2000's; OTM-71271-2 should be reduced to 5000 CAP-33s and OTM-71271-3 should be cancelled. These figures above are based upon the current situation and are subject to refinements as a result of your over or under selling the forecast between now and the end of the year. However, at this time we require your firm purchase orders covering final additional production balances that must be manufactured.

Therefore, please adjust the quantities to suit the actual needs and then add to the "Orders to Manufacturer" the following statement

"The above units are to be produced, shipped, billed, and paid for no later than December 31, 1971"

Thanks

John D. Payne

mwa

AT July 26, 1971 SIGNED

E96

PX 100

ORECK CORPORATION

OFFICE OF THE PRESIDENT

EXCLUSIVE NATIONAL SALES ORGANIZATION [illegible] CLEANING EQUIPMENT

July 29, 1971

Mr. John Payne
Whirlpool Corporation
850 Arcade Street
St. Paul, Minnesota

Dear John:

I was puzzled when I learned from our office in Stamford that you had returned our recent purchase orders. I have asked them to return them to you immediately. Our printing and advertising commitments for this fall are firm and non-cancellable and amount to over a million dollars. Failure to have the merchandise would result in an enormous loss.

I fully expect to sell everything that we have ordered. In fact we expect to give you a sizeable additional order for production this year within the next few weeks.

In seven years we have never failed to take and pay for what we have ordered. Your usual prompt handling of our orders will be appreciated.

Cordially,

David Oreck

DO:nes

cc Jack Sparks

PX 101

E97

Whirlpool CORPORATION

Administrative Center

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

August 4, 1971

Mr. David Oreck
McDonald Sales Corporation
Post Office Box 23507
New Orleans, Louisiana 70121

Dear David:

I should like to confirm our conversation concerning the basis for an orderly phase-out of the business by the end of the year.

As understood and agreed, we will produce all of the product which you have requested by purchase order between now and the end of the year. We foresee no serious problems up to the limits of our production capabilities. The premise of these capabilities is, however, that your purchase orders for production will be produced, shipped and invoiced by December 31, 1971. This should be so noted on the purchase orders.

I would ask that you give me your concurrence of this fact by return mail.

Very truly yours,

John G. Steeb
mj

John G. Steeb
General Manager
Contract Sales

JGS:mj

cc: J. D. Sparks

Whirlpool CORPORATION

E98

PX 102

Administrative Center

BENTON HARBOR, MICHIGAN 49022 • AREA CODE 616 925-0651

November 24, 1971

Mr. David Oreck
McDonald Sales Corporation
Post Office Box 23507
New Orleans, Louisiana 70121

Dear David:

This will confirm our recent telephone conversation regarding the number of Whirlpool vacuum cleaners being manufactured at our St. Paul Division, based on orders received from you.

All of the vacuum cleaners that you requested and we agreed to provide are to be manufactured, shipped, and invoiced, within the guidelines established by the Whirlpool Credit Department, not later than December 31, 1971. In order to release the shipments in a timely and effective manner prior to December 31, we must have your final shipping schedules in our hand on or before December 20, 1971. All inventory of Whirlpool vacuum cleaners which is in Whirlpool Corporation's possession as of December 31, 1971, will not be shipped and will remain Whirlpool Corporation's property to do with and dispose of as it, in its sole discretion, deems appropriate.

Very truly yours,

John G. Steeb
General Manager
Contract Sales

JGS:mj

cc: J. D. Sparks

June 7, 1972

Mr. John Steeb
General Manager, Contract Sales
Administrative Center

The Greek Vacuum Cleaner Account activity, as reflected on the May Operating Statement, represents the inventory finance charge ($5,000) plus one-half of the year-to-date expense accrued for warehousing ($4,000), for a total loss of $9,000. The loss for the five months ended May 31 is $10,000.

Our projection for 1972 assumes that the inventory will be liquidated by August 31, 1972; if it is, the total warehouse and finance charges will approximate $37,000 for the year. If the inventory is carried through December 31, 1972, we estimate total charges of $56,000.

Art

A. S. Clark

ASC:cm

cc: John Payne
Dave Holman

E100

P. Ex104

Whirlpool St. Paul Division

TO: John Payne

FROM: Vern Phillippi

DATE: October 27, 1971

John, the attached survey covering Creck Vacs is broken down into two locations, namely, Gladstone and Space Center Warehouse.

Ending inventory is that merchandise on hand after October 27, 1971, and future production includes product fabricated through December 30, 1971. The orders on hand have not been deducted from inventory at Gladstone as we have no means of determining which orders are shippable (credit).

Charges are calculated on in and out handling charges, plus two months' storage and cartage per unit.

The end result being as follows:

Storage charges	5,542.13
Handling charges	7,226.64
Cartage charges	2,747.67
Total combined charges	15,516.44

Should you have any questions regarding the above, please do not hesitate to contact myself or Lou Winkler.

Vern G. Phillippi

vgp/ime
att

cc: L. F. Winkler

Whirlpool CORPORATION St. Paul Division

October 27, 1971

CRECK VACUUM CLEANERS HANDLING, STORAGE AND CARTAGE CHARGES

Present inventory as of October 28, 1971 - Gladstone

Vacuum Cleaners	19,451 units	
Storage .062 per unit = 1,205.96 X 2 months =		2,411.92
Handling .16 per unit =		3,112.16
Cartage .08 per unit =		1,556.08
Attachment sets	4,231 units	
Storage .032 per unit =		135.39
Handling .075 per unit =		317.32
Cartage .08 per unit =		338.48

Future production ending 1971 - Directly off line to Space Center

Vacuum Cleaners	19,581 units	
Storage .062 per unit = 1,214.02 X 2 months' storage =		2,428.04
Handling.16 per unit =		3,132.96
Cartage .03 per unit =		587.43
Attachment sets	8,856 units	
Storage .032 per unit = 283.39 X 2 months' storage =		566.78
Handling .075 per unit =		664.20
Cartage .03 per unit =		265.68
Combined storage charges		5,542.13
Combined handling charges		7,226.64
Combined cartage charges		2,747.67
	GRAND TOTAL	15,516.44

ORECK CORPORATION

SCHEDULE OF ACTUAL UNIT SALES ANNUAL INCREASE OVER PRECEDING YEAR AND PERCENTAGE OF CHANGE

Calendar Year	Total All Units Sold	Unit Sales Increase Over Preceding Year	% of Sales Increase Over Preceding Year
1967	8,384		
1968	15,610	7,226	
1969	27,480	11,870	76.0
1970	39,197	11,717	42.6
1971	78,203	39,006	99.5

P. EX 106A

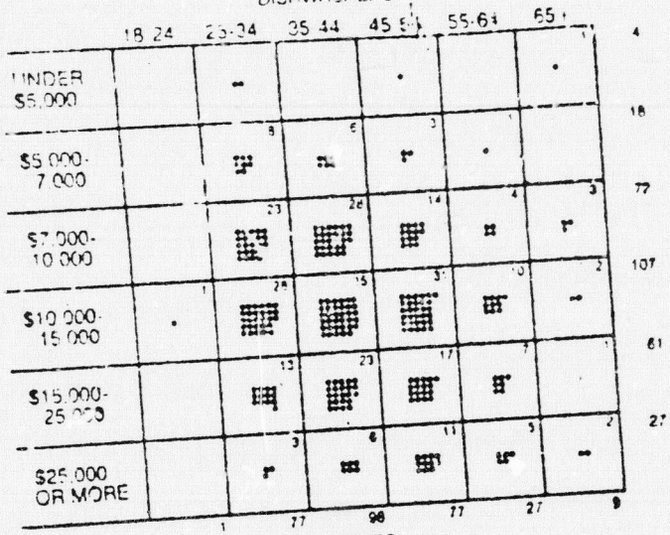
come households, and saturation gains mean higher rates of sales.

Consider next the dishwasher which has about the same useful life of almost 10 years, but with only 15% saturation.

1965-1969 RETAIL PURCHASE PATTERNS

By Age and Income of Households

DISHWASHERS



Here we observe, in contrast, the saturation growth through retail purchases still occurring in the higher income groups, a pattern that was occurring in the automatic clothes washer back in the fifties.

However, the first-time purchaser is not the most important consumer market segment for all major appliances. Many products are already in the stage where replacement purchases are the solid underpinning for our industry sales. The following chart illustrates this.

Appliance	1970 Saturation	1970 Sales % Replacement	Replacement Life
Automatic Washers	58%	50%	10 yrs.
Clothes Dryers	41	30	12
Dishwashers	17	24	10
Ranges	99	70	16
Refrigerators	99	70	15
Freezers	29	26	18
Room Air Conditioners	30	22	12
Vacuum Cleaners	80	50	15
Record Players	65	NA	NA
Color TV	38	NA	NA
B&W TV	77	NA	NA

It is difficult to generalize about appliances from the consumer's point of view—he considers them on an individual basis. It may be helpful to suggest that more mature appliances, like refrigerators, are very much a necessity. Others, like the dishwasher, are growing swiftly in popularity and more recent product developments like the household waste compactor are just gaining consumer awareness.

WHAT MAKES HOME APPLIANCES A MARKET?

Home appliances are a meaningful product aggregation or "market" primarily because of product to product distribution channel compatibilities. These marketing similarities are what give our industry its identity.

Since the marketing channels provide the focus for our industry, a brief review of their present-day posture is of interest.

THE RETAILER

The successful retailer of home appliances today may be a neighborhood product-servicing dealer or a mass-merchandising chain, with ten or a hundred, or even a thousand stores. The local head of the dealership may be a sophisticated entrepreneur or a salaried store manager or anyone in between.

Thus, appliance-buying atmospheres vary. The consumer-shopper may be a novice and depend upon retailer advice. Or, frequently the case, she may be more knowledgeable about the product than the salesman or store manager.

Retailing services vary, also. Some stores pride themselves in a broad selection of brands and models. Some specialize in certain brands or certain classes of merchandise. Many concentrate on variety in both products and services in order to satisfy every type shopper. The logic of this philosophy is proved by a survey showing that almost three-fourths of all clothes washers were purchased in the *first store* the buyers visited.

THE WHOLESALER

The reconciliation between the production preferences of the factory (in the extreme—to produce

PEX 1060 4

E104

ORECK CORPORATION

PROJECTED UNIT SALES - BASED UPON A 42.6%

GROWTH FACTOR THROUGH 1974

1972 TO JUNE 14, 1976

	Calendar Year 1971 Actual Units	Calendar Year 1972 Projected Units	Calendar Year 1973 Projected Units	Calendar Year 1974 Projected Units	Calendar Year 1975 Projected Units	Jan. 1, 1976 To June 14, 1976 Projected Units
MODEL CVR 2000	58,309	83,149	118,570	169,081	169,081	77,495
MODEL 33	13,938	19,876	28,343	40,417	40,417	18,524
SUB-TOTAL	72,247	103,025	146,913	209,498	209,498	96,019
MODEL CVR 3000	5,956	8,493	12,111	17,270	17,270	7,915
TOTAL UNIT SALES ACTUAL	78,203					
TOTAL UNIT SALES PROJECTED		111,518	159,024	226,768	226,768	103,934

E105

P EX 106D

ORTEK CORPORATION

PROJECTED STATEMENT OF SALES

1972 - JUNE 14, 1976

	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1, 1976 To June 14, 1976	Totals
MODEL CVR 2000						
Sales	$ 4,041,041	$ 5,762,502	$ 8,217,337 ✓	$ 8,217,337 ✓	$ 3,766,257	$30,004,474
Cost of goods sold	2,406,332	3,431,416	4,893,204	4,893,204	2,242,705	17,866,861
GROSS PROFIT	1,634,709	2,331,086	3,324,133	3,324,133	1,523,552	12,137,613
MODEL 33						
Sales	1,291,940	1,842,295	2,627,105	2,627,105	1,204,060	9,592,505
Cost of goods sold	737,400	1,051,525	1,499,471	1,499,471	687,240	5,475,107
GROSS PROFIT	554,540	790,770	1,127,634	1,127,634	516,820	4,117,398
MODEL CVR 3000						
Sales	410,212	584,961	834,141	834,141	382,295	3,045,750
Cost of goods sold	256,234	365,389	521,036	521,036	238,796	1,902,491
GROSS PROFIT	153,978	219,572	313,105	313,105	143,499	1,143,259
TOTAL ALL MODELS						
Sales	5,743,193	8,189,758	11,678,583	11,678,583	5,352,612	42,642,729
Cost of goods sold	3,399,966	4,848,330	6,913,711	6,913,711	3,168,741	25,244,459
GROSS PROFIT	$ 2,343,227	$ 3,341,428	$ 4,764,872	$ 4,764,872	$ 2,183,871	$17,398,270

PEX 106E

E106

ORECK CORPORATION

RESIDUAL SALES - AVERAGE DOLLAR SALES PER UNIT

Calendar Year Ended	Total All Units Sold
1964	8,939
1965	13,717
1966	14,629
1967	8,384
1968	15,610
1969	27,480
1970	39,197
June 30, 1971	42,163
TOTAL	170,119

RESIDUAL SALES FOR FISCAL YEAR ENDED JUNE 30, 1972

	Total Dollars	Total Unit Dollars Sales Per Total Units Sold	Profit Percentage	Profit in Dollars For Each Unit of Sales
Accessories and parts	$112.890	$ .66	58.5	$ .386
Dust bags	603.757	3.55	47.8	1.698
TOTAL	$716,647	$4.21		$ 2.084

E107 PEX 106 F

ORION CORPORATION

PROJECTED [illegible] SALES

AS OF JANUARY 1, 1972

[illegible] AND ACCESSORIES

JANUARY 1, 1972 TO JUNE 14, 1976

Calendar Year	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1, 1976 To June 14, 1976	Total Projected Units Sold	Profit Per Unit	Total Profit
1973	111,518	-	-	-	-	111,518	$2.084	$ 232,403
1974	111,518	159,024	-	-	-	270,542	2.084	563,810
1975	111,518	159,024	226,768	-	-	497,310	2.084	1,036,394
January 1, to June 14, 1976	51,112	72,886	103,934	103,934	-	331,866	2.084	691,609
January 1, 1972 to June 14, 1976	385,666	390,934	330,702	103,934	-	1,211,236		$2,524,216

PEX 1066

E108

GRICK CORPORATION

[illegible] SALES & UNIT SALES

AFTER JANUARY 1, 1972

AT 3 YEARS EARLY FOR ALL UNITS

JUNE 15, 1976 TO JUNE 14, 1986

Calendar Year:	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1, 1976 To June 14, 1976	Total Projected Units Sold	Profit Per Unit	Total Profit	Present Value 9% Discounted
June 15, 1976 to December 31, 1976	60,706	86,138	122,834	122,834	-	392,212	$2.084	$ 817,370	$ 780,817
1977	111,518	159,024	226,768	226,768	103,934	828,012	2.084	1,725,577	1,583,097
1978	111,518	159,024	226,768	226,768	103,934	828,012	2.084	1,725,577	1,452,383
1979	111,518	159,024	226,768	226,768	103,934	828,012	2.084	1,725,577	1,332,462
1980	111,518	159,024	226,768	226,768	103,934	828,012	2.084	1,725,577	1,222,442
1981	111,518	159,024	226,768	226,768	103,934	828,012	2.084	1,725,577	1,121,507
1982	111,518	159,024	226,768	226,768	103,934	828,012	2.084	1,725,577	1,028,904
1983	-	159,024	226,768	226,768	103,934	716,494	2.084	1,493,173	816,817
1984	-	-	226,768	226,768	103,934	557,470	2.084	1,161,767	583,051
1985	-	-	-	226,768	103,934	330,702	2.084	689,183	317,319
January 1, to June 14, 1986	-	-	-	-	103,934	103,934	2.084	216,598	91,493
June 15,1976 to June 14,1986	729,514	1,129,306	1,936,978	2,163,746	1,039,340	7,068,884		$14,731,953	$10,330,292

P3x 106 H

E109

Calendar Year	Calendar Year 1964	Calendar Year 1965	Calendar Year 1966	Calendar Year 1967	Calendar Year 1968	Calendar Year 1969	Calendar Year 1970	Calendar Year 1971	Total Projected Units Sold	Profit Per Unit	Total Profit
1972	8,939	13,717	14,629	8,384	15,610	27,480	39,197	78,203	206,159	$2.084	$ 429,635
1973	8,939	13,717	14,629	8,384	15,610	27,480	39,197	78,203	206,159	$2.084	429,635
1974	8,939	13,717	14,629	8,384	15,610	27,480	39,197	78,203	206,159	$2.084	429,635
1975	-	13,717	14,629	8,384	15,610	27,480	39,197	78,203	197,220	$2.084	411,066
January 1, to June 14, 1976	-	-	6,705	3,843	7,155	12,595	17,965	35,843	84,106	$2.084	175,277
January 1,1972 to June 14, 1976	26,817	54,868	65,221	37,379	69,595	122,515	174,753	348,655	899,803		$1,875,168

PEX 104, I

E110

[redacted]

PROJECTED STATEMENT OF INCOME

1972 - June 14, 1976

	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1, 1976 To June 14, 1976	Totals Jan. 1, 1972 To June 14, 1976
[redacted]						
Sales	$ 5,743,193	$ 8,189,758	$11,678,583	$11,678,583	$ 5,352,612	$42,642,729
Cost of goods sold	3,399,966	4,848,330	6,913,711	6,913,711	3,168,741	25,244,459
GROSS PROFIT	2,343,227	3,341,428	4,764,872	4,764,872	2,183,871	17,398,270
PROFIT ON RESIDUAL SALES						
Sales prior to December 31, 1971	429,635	429,635	429,635	411,006	175,277	1,875,188
Sales after January 1, 1972	-	232,403	563,810	1,036,394	691,609	2,524,216
TOTAL PROFIT ON RESIDUAL SALES	429,635	662,038	993,445	1,447,400	866,886	4,399,404
TOTAL PROFIT BEFORE OPERATING EXPENSES AND TAXES	2,772,862	4,003,466	5,758,317	6,212,272	3,050,757	21,797,674
OPERATING EXPENSES:						
Direct mailing	2,232,000	3,183,000	4,539,000	4,539,000	2,080,000	16,573,000
Other selling	115,000	164,000	234,000	234,000	107,000	854,000
Freight and warehouse	106,000	168,000	256,000	256,000	117,000	903,000
General and administrative	231,000	251,000	271,000	291,000	143,000	1,187,000
TOTAL OPERATING EXPENSES	2,684,000	3,766,000	5,300,000	5,320,000	2,447,000	19,517,000
PROJECTED NET INCOME BEFORE INCOME TAXES	$ 88,862	$ 237,466	$ 458,317	$ 892,272	$ 603,757	$ 2,280,674

P.EX 107

TOTAL VACUUM CLEANERS SHIPPED BY U.S. MANUFACTURERS 1966-1975

(Source: Merchandising, March 1976, pp. 48-49)

1966	5,582,700
1967	5,677,000
1968	6,653,000
1969	7,134,000
1970	7,382,000
1971	7,973,000
1972	8,337,000
1973	9,124,000
1974	8,251,000
1975	7,650,000

PEX 10B

SPECIAL REPORT SERIES

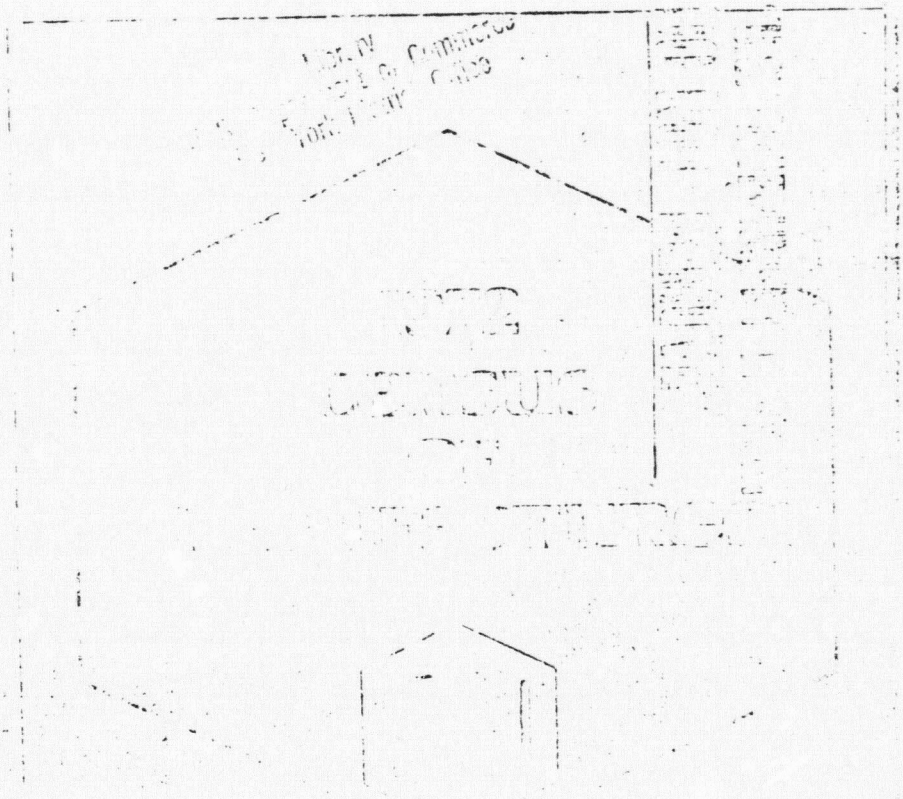


TABLE 6. Share of Value of Shipments of Each Class of Product Accounted for by the 4, 8, 20, and 50 Largest Companies: 1972 and Earlier Years—Continued

SIC code	Class of product and year	Value of shipments[1] Total (million dollars)	Percent accounted for by— 4 largest companies	8 largest companies	20 largest companies	50 largest companies
		VALUE GROUP 34—ELECTRIC AND ELECTRONIC EQUIPMENT—Con.				
3634	Electric housewares and fans—Continued					
3634	Electric housewares (except fans) n.e.c.	1972				
		1967				
		1963				
		1958				
3635	Household vacuum cleaners (including parts and attachments)	1972	1,154.2	64	87	96	100
		1967	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1963	1,031.1	64	[illegible]	[illegible]	[illegible]
		1958	1,[illegible]	63	[illegible]	[illegible]	[illegible]
3636	Sewing machines (for home use) (including heads and cabinets sold separately)	1972	1,[illegible]	40	81	94	[illegible]
		1967	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1963	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1958	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1954	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3639	Household appliances, n.e.c.	1972	810.5	45	70	90	99
		1967	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1963	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1958	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3639P	Household water heaters (except electric)	1972	110.9	60	84	100	[illegible]
		1967	[illegible]	64	[illegible]	[illegible]	[illegible]
		1963	[illegible]	4	[illegible]	[illegible]	[illegible]
		1958	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1954	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3639Q	Household water heaters (except electric)	1972	100.4	64	94	99	100
		1967	[illegible]	[illegible]	91	[illegible]	[illegible]
		1963	[illegible]	[illegible]	[illegible]	92	[illegible]
		1958	149.9	62	[illegible]	92	94
		1954	[illegible]	47	67	83	(NA)
3639R	Dishwashing machines and food waste disposers	1972	407.9	71	91	99	100
	1967 product class 36391 (Other household appliances and parts)						
3639S	Other household appliances and parts	1972	302.2	65	74	94	100
	1967 product class 36391 (Other household appliances and parts)	1967	294	69	77	97	100
		1963	[illegible]	64	76	95	99
3639W	Household appliances, n.e.c. (pt.)	1972	11.4	[illegible]	[illegible]	[illegible]	[illegible]
		1967	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		1963	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3640	Electric lamps (bulbs and tubes), including sealed beam lamps	1972	1,004.0	67	90	98	99+
		1967	750.4	64	[illegible]	95	99+
		1963	645.6	69	95	99	99+
		1958	561.[illegible]	61	[illegible]	96	99+
		1954	509.7	57	90	[illegible]	(NA)
3640P	Current-carrying wiring devices (including attachment caps)	1972	1,213.4	36	40	57	77
		1967	747.9	31	35	51	73
		1963	561.4	26	34	57	78
3640Q	Noncurrent-carrying wiring devices	1972	431.0	17	31	51	82
		1967	448.[illegible]	17	29	53	83
		1963	439.0	18	31	54	81
		1958	341.6	26	41	67	88
3640T	Pole line and transmission hardware	1972	222.3	53	71	93	100
		1967	130.2	39	60	93	100
		1963	97.4	40	64	96	100
		1958	81.2	41	74	94	100
		1954	73.6	44	71	93	(NA)
3640U	Electrical conduit and conduit fittings	1972	371.4	29	45	75	97
		1967	306.6	28	43	71	96
		1963	241.2	27	43	73	95
		1958	201.3	41	59	82	97
3640V	Other noncurrent-carrying wiring devices and supplies	1972	216.2	34	54	83	99
		1967	94.6	42	63	84	(NA)
		1963	92.9	44	61	79	94
		1958	59.1	51	69	84	93
3640W	Noncurrent-carrying wiring devices, n.e.c.	1972	20.8	[illegible]	[illegible]	[illegible]	[illegible]
		1967	12.8	[illegible]	[illegible]	[illegible]	[illegible]
		1963	5.4	[illegible]	[illegible]	[illegible]	[illegible]

See footnotes at end of table.

TABLE 6. Share of Value of Shipments of Each Class of Product Accounted for by the 4, 8, 20, and 50 Largest Companies, 1972 and Earlier Years—Continued

(footnotes at end)

Product class code	Product description	Year	Number of companies	Value of shipments ($ mil)	Percent accounted for by: 4 largest companies	8 largest companies	20 largest companies	50 largest companies
20992	Vegetable oil mill products, N.E.C.	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20993	Cottonseed cake, meal, and other products	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20994	Soybean cake, meal, and other products	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20995	Roasted coffee	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20996	Processed liquid eggs	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20997	Natural processed malt beverages	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20998	Fish cakes, soups, and other canned and cooked fish and seafoods	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100
20999	Miscellaneous food preparations and kindred products	1972	30	1,000	60	80	95	100
		1967	30	1,000	60	80	95	100
		1963	30	1,000	60	80	95	100
		1958	30	1,000	60	80	95	100

(footnotes)

D Withheld to avoid disclosing figures for individual companies.

Product class titles and descriptions are those applicable in 1972. Product codes in parentheses are those assigned to the industry in which they are primarily classified. Products which are similar to products shown in this or other industries in the classification are listed under each industry.

Data for each product class are shown for the largest companies manufacturing that product. The 4-digit product group to which the product class belongs is shown in the first column. Each product class is identified by a 5-digit code. The first 4 digits of the code identify the product group to which the product class belongs. The last digit identifies the product class within the product group. For example, product class 20991 (Roasted coffee) is the first product class listed under product group 2099 (Miscellaneous food preparations and kindred products). Product classes are established on the basis of similarity in materials used or in the nature of the production process. Establishments are classified in industries according to the product class contributing the largest value added in manufacturing. Thus, establishments primarily engaged in manufacturing roasted coffee are classified in industry 2095, Roasted Coffee, although they may also produce other food products. Establishments primarily engaged in manufacturing a number of products in different industries are classified in the industry in which the largest value added in manufacturing is accounted for.

Value of shipments (net sales plus inventory change) is the measure used to determine the relative importance of each product class. Value of shipments is generally f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. For most industries, value of shipments includes the cost of containers used to package products for shipment. Shipments between establishments of the same company are included only when they are transferred at prices comparable to those charged unaffiliated customers. Value of shipments for each product class includes the total net selling value of all products in that class classified in the industry, whether produced by establishments primarily engaged in that industry or by establishments in other industries. Value of shipments for each product class also includes receipts for services rendered and miscellaneous receipts, such as the resale of purchased merchandise. Value of shipments for each product class excludes the value of products shipped between establishments which are under common ownership when such products are primarily for further manufacturing, for use as materials, or for resale. Value of shipments for each product class also excludes excise taxes.

The 4, 8, 20, and 50 largest companies in each product class were determined independently, so that the sum of the percentages for companies in different product classes frequently includes the same company more than once. Similarly, the sum of the percentages for companies in the product group frequently includes the same company more than once. Because of the exclusion of establishments primarily engaged in activities other than manufacturing, the sum of the percentages for companies in the product group frequently exceeds 100 percent even though the sum for companies in any individual product class does not exceed 100 percent.

Establishments primarily engaged in manufacturing products classified in one industry sometimes produce products classified in other industries. Establishments primarily engaged in manufacturing products classified in other industries frequently produce products classified in the industry. The extent to which establishments specialize in the production of products classified in their primary industry and the extent to which establishments produce products classified in other industries vary from industry to industry. Some establishments produce only products classified in their primary industry; others produce a substantial proportion of

PEX109

#15 (Vacs)

Sales in Thousands
Units in Thousands

	Total Sales	Sears Sales	Sears % Sales	Total Units	Sears Units	Sears % Units
1963	11,768	11,768	100.0	395	395	100.0
1964	14,331	13,946	97.3	452	442	97.8
1965	15,981	15,573	97.4	492	478	97.2
1966	18,439	18,064	98.0	562	550	97.7
1967	19,683	19,438	98.8	583	574	98.5

#15

Summary of data setting forth volume and percentage of total Whirlpool production (by unit and dollar amount) of all vacuum cleaners sold to Sears.

	Total Sales	Sears Sales	Sears % Sales	Total Units	Sears Units	Sears % Units
1968	$20,238	$19,801	97.8	558	544	97.5
1969	23,301	22,509	96.6	627	602	96.0
1970	24,509	23,382	95.4	644	609	94.6
1971	30,748	27,951	90.9	731	656	89.7
1972	34,675	34,601	99.8	731	729	99.7
1973	41,843	41,402	98.9	843	824	97.7

#19

Summary of volume (unit and dollar amount) of vacuum cleaners sold to Simpson-Sears.

Vacuum Cleaner Shipments to Simpsons-Sears, Canada

Year	Total Units	Total Sales Dollars
1968	29,960	$ 940,797.18
1969	34,271	987,810.79
1970	31,283	1,311,559.68
1971	44,018	1,994,995.35
1972	71,837	3,158,623.31
1973	84,338	3,813,674.87
1974 (YTD - Oct.)	130,959	4,869,677.96

E118

P EX 110

WHIRLPOOL CORPORATION
St. Paul Division

AGENDA & COMMENTS
FROM
MARSHALL ORECK MEETING
OF
AUGUST 28, 1967
* * *

I. SERVICE AND CUSTOMER ASSURANCE AREAS (Covered by Jack Jahnke)

A. Discuss needed revision to the V-135 and V-150 Repair Parts List. The parts ordering instruction should be revised prior to republication.

M.O. discussed with J. Jahnke and revision was worked up for publication.

B. Review the CVR-1000 Owners Manual and Instruction.

Same as above, plus minor corrections and adjustments.

C. Review Field Service Complaint of the Bears Den Motel in Sieverville, Tennessee.

Correspondence of Ollie Einhorn of August 17, 1967 was reviewed. Oreck Corporation will investigate, correct and give us a report of the final solution.

D. M.O. -- The V-135 and V-150 castered wheel is hard to replace in the field without drilling out rivet. Any suggestions?

E. M.O. -- The masking tape on the CVR-600 appears to be packaging and the field may in some cases remove this. W. Eng -- possible change in this area or color change, etc.

F. Upright Lamb Motor -- We do not recommend brush replacement. When brushes are worn out everything else is nearly worn out also. Brush replacement is difficult, costly, and not economical in overall.

G. American Process design should reduce shorts from foreign material and will shield armature better.

H. Set screw assembly of Blower Wheel could weaken impeller and entire assembly.

000169

II. ENGINEERING AREAS (Covered by Tom Scheitlin and Erwin Nordeen)

A. Review the Dust Bag Re-Order Envelope -- particularly the New York State Sales Tax comment.

M.O. -- Decision is to delete New York Sales Tax comment.

B. Show a CVR-1000 Upright prototype with the new logo.

M.O. -- Comments were of favorable acceptance.

C. Demonstrate the overload switch.

T.S. demonstrated locked impeller - reset - rerun.
T.S. demonstrated locked brush and belt burn out.

D. Whirlpool Eng. reviewed results of canted nylon vs. original horsehair and nylon bristles. Conclusions - shown by photos - nylon lasts and horsehair wears - we believe nylon best.

III. MARKETING

A. Solicit field news from Competitive Analysis.

Warren Bower reported on results of Kennedy Tariff reductions. Reviewed public news areas, particularly of Westinghouse shifts.

M.O. reported New York department stores dropping vacs - reducing number of models - showing only cheapies - $30.00 machines, etc. The 30-60-90 day exchange program has, by its excesses, killed virtually all department store service. Manufacturers and stores alike have lost interest in vac business. Electrolux will benefit.

M.O. reports that the Loews Hotel chain still endorses Whirlpool cleaner as does Sheraton Hotel chain. Some recent hotels adopting this unit are as follows:

Isle	Nassau, Bahamas
Americana	Miami, Florida
Mark Hopkins	San Francisco, California
Ambassador East	Chicago, Illinois

B. Notify Marshall that Canisters will have the RCA Symbol.

Sample shown -- V-150 and AP-18 identified as per past run.

III. C. Inventory - Impress upon him the need for getting orders in. Dave has to pay 90 days.

I reviewed our monthly rolling forecast and how important this is in preventing build-up of excess inventory. Since excess inventory will be billed -- under the new terms -- Oreck Corporation must forecast shipments on the "best possible" information basis.

IV. MISCELLANEOUS

A. M.O. -- In general the kitting parts practice has been good and beneficial except in the case of the AS-10 Hose and the AP-18 Hose. This kit is asking too much of the field as too much assembly is involved.

B. M.O. -- Page 2 of manual gives Blower Wheel instruction. Lamb photos shown but prefer American Process photos, etc.

C. M.O. -- Recommended Retail List Pricing is as follows:

V-150 with AP-18	$199.50
V-135 with AS-10	89.00
CVR-600	79.00

D. M.O. -- Added a new full time employee, a Mr. John Gilio. He'll handle internal areas of Bookkeeping-Accounting plus other functions. John Wolfe still active in company on a part time basis.

E. Six prototypes of CVR-1000 should be available by end of September. M.O. will send shipping order, etc.

F. M.O. encountering isolated handle connector breakage in the new fully assembled package. Engineering please check out.

G. M.O. is to describe what is to be included on the LV-651 model. Our load switch? Parcel Post Package? Any other details?

John D. Payne

cc: Dave Oreck
Marshall Oreck

E121

P Ex 111

SAVE TIME AND MONEY — USE THIS REPLY MESSAGE FORM

TO JOHN PAYNE

WHIRLPOOL ST. PAUL

FROM ORECK CORPORATION

Exclusive National Sales Organization for RCA Whirlpool Floor Equipm

195 Shippan Avenue, Stamford, Connecticut 06902

SUBJECT

Message

JOHN - WE HAVE A PROBLEM WITH OUR CVR CARTON - I.T. IS 87" LENGTH AND GIRTH. UNITED PARCEL CHARGES US A PENILTY FOR THE OVER SIZE OF ABOUT 60¢ PER CARTON. JUST RECENTLY THEY OFFERED US COMPLETE SERVICE FROM THE EAST COAST TO THE MISSISSIPPI RIVER. AND WITH THE NEW PENILTY IT IS REALLY ROUGH.
JOHN IS THERE ANY WAY WE CAN REDUCE THE GIRTH OF THE CARTON BY A 1" OR 1½" IN GIRTH AND 1" IN LENGTH. WE ARE SO CLOSE TO THE 84" REQUIREMENT IT IS A SHAME TO HAVE TO PAY THE OVER CHARGE. THE OTHER POSSIBILITY IS TO BREAK THE CVR DOWN SO THE OVERALL CARTON WILL BE SMALLER.
PLEASE LET ME HEAR FROM YOU SOON ABOUT THIS.

DATE 7-22-69 SIGNED MARSHALL ORECK

Reply To: R.E. Deaux, Director of Engineering

Dear Dixie:

Please proceed if feasible. If not feasible, please advise.

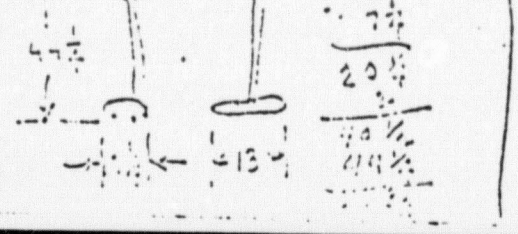
CC: M. Orock
J. McDanield
file

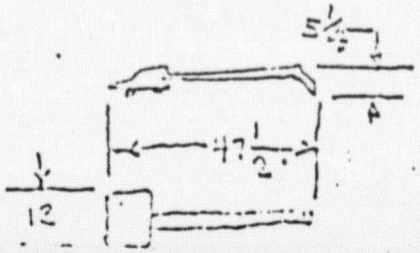
DATE 7/25/69 SIGNED

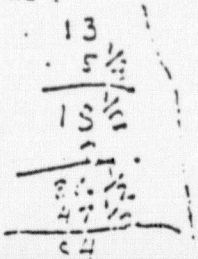
RETURN THIS COPY TO SENDER

000305

UNLESS HANDLE IS SHIPPED UNASSEMBLED IT IS PHYSICALLY IMPOSSIBLE TO COMPLY WITH THIS REQUEST. CLEANER WITHOUT PKG. IS TOO LARGE.







E122

PEx113

December 4, 1969

John McDanield
Packaging Engineer

Dear John:

Please forward to Dick Petrie at Whirlpool Industrial Design Center the following:

1. The size of the Oreck vacuum cleaner and attachment cartons for models CVR and CAP-33.

2. A stylemaster, if available.

3. Nomenclature if not otherwise provided on the carton prints.

4. A carton for the CAP-33 and a carton for the CVR 2000 vacuum cleaner.

The Whirlpool Industrial design center is in the process of preparing new recommended carton printing aesthetics and it would be my objective to modify the current Oreck cartons to match Corporate instructions so far as possible. Please follow.

John D. Payne

JDP:mwa

cc:
Dick Petrie
Marshall Oreck

E123

P.Ex114

ORECK CORPORATION
18 Elmcroft Road / Stamford, Connecticut 06902 / 203-327-7620

Whirlpool Cleaning Equipment

National Sales Organization

Dynavac Vacuum Cleaners
Mastercraft Floor Machines

September 10, 1970

Mr. John Payne
Whirlpool Corporation
850 Arcade Street
St. Paul, Minnesota 55106

Dear John:

Due to a large number of requests and due to the size requirements of United Parcel service we now find it necessary to have a parcel post sized carton.

Our present carton with the unit fully assembled is about 3 inches over the size limits for United Parcel. Because of this oversize we are forced to pay a 50% overcharge on each unit shipped United Parcel. UPS handles over 60% of our shipments so you can see this is an expensive price to pay for 3 inches oversize.

Also we have been drop shipping into areas not covered by UPS and it has been necessary for us to make a parcel post carton in order to ship cleaners into hard-to-get areas.

Motor freight has become more expensive and their service has been poor to many areas. Our customers have requested that their orders be shipped parcel post or UPS.

We would like to have at least 15,000 CVR-2000 cleaners packed in a parcel post sized carton similar to those used for the CVR-500 and the LV-55.

John it is extremely important to us to have a second sized carton in our line. Wh are selling four times the number of cleaners now than we were using the parcel post sized carton with the CVR-500 and LV-55. This should be considered in having two sized cartons for the CVR-2000. A smaller carton will save us money and help us give better service to our customers.

Very truly yours,

ORECK CORPORATION

MO/av

Marshall Oreck
Vice President

E124

PEx118

FLOOR CARE PRODUCT ENGINEERING
ST. PAUL DIVISION

* * * * * AGENDA * * * * *

TOPIC: Project Review

FOR: Mr. Marshall Oreck

DATE: February 12, 1971

ITEMS TO BE REVIEWED

PRESENT

1. Package For Parcel Post (Completed)
2. Package For Cap 33
3. Improved Plastic Yoke
4. Improved Dust Tube Seal
5. Enlarged Dust Bag Cover (Completed)
6. Plastic Toggle Switch
7. Kirby Belt Investigation
8. Improved Bag Fit To Mount (Completed)
9. Improved Bristle Life On Brushes
10. Multi-Cleaner Assembly
11. Competitive Evaluations (See Attached)

FUTURE

1. Plastic Hand Grip
2. Cap 33 Rivet Locking Wand Clip
3. Enlarge Cord Storage Hook
4. Improved Motor Brush
5. Shag Rug Attachment

SOME 1971 ITEMS

1. Model CVR-3000 Changes From CVR-2000 (See Attached)
2. Color Changes
3. Handle Screws
4. New Dust Bag Cover

P6X-158

54. "Identify each model of vacuum cleaner and attachment sold by Whirlpool to Oreck during the time period 1962 to present. As to each such model in respect of each year, state:

a. the number of units so sold;

b. the per unit price or prices at which Whirlpool sold such model to Oreck;

c. if Whirlpool charged more than one price for any model in any year, state the number of units so sold to Oreck at each such price, and the periods of time during which each such price was charged."

1971

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	CVR2000	69,317	$ 28.94	Thru Dec.
	CVR3000	1,931	29.44	Jan. thru Mar.
	CVR3000	3,494	30.17	Apr. thru Dec.
- ATTACHMENTS	CAP33	2,675	35.36	Jan. thru Mar.
	CAP33	14,403	37.10	Apr. thru Dec.

1970

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	CVR1000	15	$ 26.11	January
	CVR2000	24,020	27.94	Jan. thru Oct.
	CVR2000	7,430	28.94	Oct. thru Dec.
	CVR3000	2,978	29.43	Thru December
- ATTACHMENTS	CAP18	953	33.50	Jan. thru May
	CAP33	184	33.87	Jan. thru Sept.
	CAP33	3,095	35.35	May thru Dec.
	CS10	1	12.54	May
	CS15	1	14.87	May
	CS20	1	17.16	May

1969

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	CVR1000	5,634	$ 25.52	Jan. thru Apr.
	CVR1000	18,267	26.11	Apr. thru Dec.
	CVR600	(28)	25.05	Thru September
	CVR2000	556	27.94	Nov. & Dec.
	V135	(2)	35.71	Thru June
- ATTACHMENTS	AP18	149	35.14	Jan. thru March
	AP18	1,997	36.53	Mar. thru Aug.
	CAP18	2,010	38.50	Aug. thru Dec.
	AS10	(2)	10.08	Thru June

1968

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	IV551	31	$ 22.59	February
	V135	496	35.71	Thru April
	V150	491	40.09	Thru December
	V150	(101)	35.22	January
	CVR600	1,309	25.05	Thru June
	CVR1000	12,339	25.52	Thru December
- ATTACHMENTS	AP8	40	26.64	Thru December
	AS10	(25)	9.62	February
	AS10	526	10.08	Thru April
	AP18	(101)	30.20	January
	AP18	1,297	35.14	Thru December

NOTE: No activity prior to 1964.

E125

54. "Identify each model of vacuum cleaner and attachment sold by Whirlpool to Oreck during the time period 1962 to present. As to each such model in respect of each year, state:

a. the number of units so sold;

b. the per unit price or prices at which Whirlpool sold such model to Oreck;

c. if Whirlpool charged more than one price for any model in any year, state the number of units so sold to Oreck at each such price, and the periods of time during which each such price was charged."

1967

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	LV55	110	$ 22.59	Jan. thru June
	LV55	50	17.82	August
	LV551	615	22.59	Thru December
	V100	928	18.32	Thru August
	V140	574	30.04	Thru October
	V150	332	35.22	Thru December
	CVR500	2,715	22.59	Thru July
	CVR600	2,639	25.05	July thru Dec.
	CVR1000	792	25.52	Oct. thru Dec.
- ATTACHMENTS	AP8	557	26.64	Thru October
	AS10	160	8.79	Thru July
	AS10	392	9.62	July thru Dec.
	AP18	455	30.20	Thru December

1966

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	LV55	217	$ 22.59	Thru December
	V100	496	25.46	Thru October
	V125	(3)	27.90	Thru December
	V135	571	27.90	Thru December
	V140	420	30.04	Thru December
	V140	4	27.90	October
	V150	1,306	35.22	Thru December
	CVR500	8,923	22.59	Thru December
	LV551	932	22.59	Thru December
- ATTACHMENTS	AP8	251	26.64	Thru October
	AS10	1,148	8.79	Thru December
	AP18	1,345	30.20	Thru December
	NAP18	97	30.63	Thru June

1965

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	V125	1,028	$ 27.90	Thru October
	V140	265	30.04	Thru September
	V150	1,567	35.22	Thru December
	LV55	7,856	22.59	Thru December
	LV55	135	22.77	January
	V100	1,000	25.46	May thru Nov.
	V135	625	27.90	Sept. thru Dec.
	CVR500	1,293	22.59	Nov. & Dec.
- ATTACHMENTS	AS10	1,724	8.79	Thru December
	AP18	1,626	30.20	Thru December
	NAP18	(20)	30.63	Thru December

1964

	MODEL	QUANTITY	PRICE	PERIOD
ORECK - UNITS	V125	2,463	$ 27.90	Thru December
	V150	2,353	35.22	Thru December
	V150	1	27.76	January
	V140	394	30.04	July thru Dec.
	LV55	4,865	22.77	Oct. thru Dec.
- ATTACHMENTS	AS10	2,269	8.79	Thru December
	NAP18	240	30.63	Oct. thru Dec.
	AP18	2,765	30.20	Thru December

P-EX-160

APPRAISAL OF VACUUM CLEANER BUSINESS

RCA WHIRLPOOL

Oct. 16, 1961 by H. Thomas Stroop

INDUSTRY FACTS ...

There are about 3,250,000 sold each year.

Home cleaner saturation now at 73.4%.

The average retail price per unit in 1960 was $94.00 according to Electrical Merchandising.

HIGH BECAUSE OF HOUSE TO HOUSE

Electrical Merchandising says approximately 60% of the business is replacement business.

According to Look Magazine, current cleaner ownership shows:

Tank type cleaners	-	65%
Uprights	-	35%

E. 127-128

HOME CLEANER

FACTORY SHIPMENTS*

WHIRLPOOL CORPORATION VS. VCMA

YEAR	VCMA UNITS	CORPORATION UNITS	% VCMA	SEARS UNITS	% VCMA	RCA WHIRLPOOL UNITS	% VCMA
1958	3,295,047	241,026	7.3	190,016	5.8	51,010	1.5
1959	3,420,830	310,761	9.1	229.481	6.7	81,280	2.4
1960	3,313,226	313,578	9.5	251,719	7.6	61,859	1.9
1961					Approximately	35,000	

Source: Trade Association & Market Research Records

* Includes exports

VACUUM CLEANER SALES

BY TYPE OF OUTLET

	Tank Type	Upright
Appliance Store	51.7%	46.0%
Door-to-Door	21.3	18.1
Department Store	11.5	18.6
Private Person	3.6	9.3
Mail Order House	3.5	
Furniture Store	3.0	8.0
Other Outlets	5.4	
	100.0	100.0

Source: Look Magazine Survey

HOME CLEANER

SEASONAL PATTERNS

	VCMA FACT. SHIP.		RCA WHIRLPOOL FACT. SHIP.		SEARS RETAIL SALES		SEARS FACT. SHIP.	
	MO.	CUM.	MO.	CUM.	MO.	CUM.	MO.	CUM.
JAN	8.0	8.0	7.8	7.8	7.7	7.7	6.0	6.0
FEB	8.2	16.2	9.9	17.7	6.9	14.6	8.1	14.1
MAR	10.0	26.2	11.6	29.3	7.5	22.1	10.0	24.1
APR	8.7	34.9	5.4	34.7	9.0	31.1	8.8	32.9
MAY	7.6	42.5	6.7	41.4	7.3	38.4	8.2	41.1
JUNE	7.2	49.7	6.9	48.3	6.7	45.1	6.8	47.9
JULY	7.1	56.8	6.6	54.9	7.2	52.3	6.1	54.0
AUG	7.9	64.7	5.7	60.6	7.9	60.2	10.5	64.5
SEPT	9.0	73.7	10.4	71.0	10.4	70.6	8.9	73.4
OCT	9.8	83.5	8.3	79.3	8.7	79.3	10.4	83.8
NOV	8.3	91.8	11.4	90.7	8.3	87.6	9.2	93.0
DEC	8.2	100.0	9.3	100.0	12.4	100.0	7.0	100.0

Source: VCMA based on 1956 - 1960 factory shipments
RCA Whirlpool based on 1958 - 1960 factory shipments
Sears based on 1956 - 1960 retail sales including mail order
Sears based on 1953 - 1960 factory shipments including mail order

Note: No pattern established on RCA Whirlpool Sales to Dealers

ESTIMATED VOLUME OF

COMPETITION (1980)

1.	Electrolux	650,000 (Tank Cleaners)
2.	Hoover	550,000 (50% Uprights)
3.	Eureka & Singer	480,000 (90% Canister, 10% Upright)
4.	General Electric	400,000 (90% Canister, 10% Upright)
5.	Kenmore, Whirlpool	300,000 (90% Canister, 10% Upright)
	(Kenmore 240,000)	
	(Whirlpool 60,000)	
6.	Kirby	250,000 (100% Upright)
7.	Compact	150,000 (Canister)
8.	Westinghouse and Hardis	100,000 (100% Canister)
9.	Other	110,000
		3,240,000

GENERAL DESCRIPTION OF MAKE AND TYPE OF VACUUM CLEANERS

ELECTROLUX

1. Type of Distribution - House to house specialty selling. A multiplicity of sales and service centers located throughout United States - factory owned and managed. Salesmen work from these centers and are paid on a commission basis only. Consumer is thoroughly sold before purchase. Service and spare parts are readily available.

2. Length of Line - Two models - one for $139.95 which is the high seller - one for $69.95 used as advertising where needed. Also have available electric driven brush for $9.95 as an accessory. Other accessories at high prices such as air suction polisher, venetian blind cleaners, sprayers, shampooers, etc. A line of floor polishers also available.

3. Position in Market - Number 1 - estimated annual sales of 450,000 (20% of total cleaners, 2[illegible]% of tank-canister type).

4. Description of Line - Models are of tank type of same general design which they have had for approximately 25 years. They have been improved from time to time with more chrome, larger wheels, a change in color. The $139.95 model features (1) pop-out disposable bag of small capacity made of two thicknesses of paper for more efficient filtering, (2) Cord reel on rear of machine (cord reel also sold as accessory for $19.95), (3) Three cleaning tools - a combination carpet and smooth floor nozzle - a combination dusting brush and upholstery brush - and a crevice tool.

Electrolux reputation has been built over the years because - (1) The consumer has been thoroughly sold on all features and uses of an Electrolux. (2) Service is always quickly and readily available.

Hoover:

1. Type of Distribution - Direct from factory to dealer through approximately 700 salesmen. Salesmen sell, train and assist dealer. Service is quick and efficient.

2. Length of Line - Only one model of canister. Specials are run of previous models but they are all the same except for color and minor trim changes.

3. Position in Market - Second place. Approximately 50% of sales are canister and 50% upright. Hoover probably has 75% of the industry's upright business.

4. Description - Distinctive canister of steel - spherical shape - uses hydro-foil principle and floats on air - has no wheels. Has stretch type vinyl hose. Design is 11 years old - was tooled in 1949.

EUREKA

1. Type of Distribution - Mainly factory branches with some independent distributors. Have some very large accounts under branch control such as Polk Bros. in Chicago - branch furnishes assistance in floor selling, advertising and the accounts are serviced regularly. Eureka also sells all canister cleaners to Singer with Singer brand name. Singer has own upright.

2. Length of Line - Current length of four models of canisters and one upright. Canister model 880-A was originally tooled in 1949, model 980-A in 1952 and model 1020 in 1958. Upright was tooled in 1948. The new model 702-A was just recently introduced. Yearly model changes have been only color changes and slight improvements.

3. Position in Market - Number 3 (including Singer line). Total volume estimated as 400,000 yearly. Eureka has come up fast in last three years due to the new Vibrabeat Model No. 1020 and the Singer account.

4. Description of Line - Canister models are from four sets of tooling dating back to 1949 - steel construction. Have always been of simple, straightforward design with minimum of parts and gadgets. Flashy coloring. Widely advertised. Use Lamb Electric motors. Have appearance of quality and minimum of weak points requiring service. 20 to 25 year old name.

GENERAL ELECTRIC

1. Type of Distribution - Factory branches and independent distributor. Multiplicity of dealers (probably 20,000). All kinds of dealers - hardware stores, filling stations, variety stores, furniture stores, repair shops, garages, appliance stores, department stores, catalogs, stamp companies.

2. Length of Line - Current line of five model canisters and one upright. All canisters off of same basic tooling. Tooling was done in 1953 - changes have been in color and few minor improvements. Prior to 1948 models were same basic pot type and a "Roll Easy" model which was a total flop.

3. Position in Market - Number 4. Estimated volume of 400,000 yearly - mostly canisters. Have had a lot of service problems on uprights.

4. Description of Line - Simple pot type canister - steel construction - all models off of same basic tooling - disposable paper bags. Differences secured by color, trim, types of switches, attachments. Model C-7 has cord reel. Model C-100 has motor driven brush attachment. General Electric was first to start $39.95 retail pricing about 1950. They have had pricing in a turmoil ever since that time.

Scott-Fetzer (Kirby)

1. Type Of Distribution - House to house.

2. Length of Line - One model of basic line to retail for $289.95. Have thirty some attachments and accessories including drill and saw attachments, shoe polishers, floor polishers, all types of cleaning attachments and gimmicks to build up to a possible retail package of as much as $300.00 retail.

3. Position in Market - Number 6 - estimated annual sales of 250,000 (100% upright).

4. Description of Line - An upright model that can be converted into hand cleaner, canister cleaner, upright - with various and sundry attachments to be added or taken off, such as shag rug attachments, off the floor cleaning attachments. Can be carried over the shoulder with a strap, pulled on the floor, rushed as an upright. Has appearance of high quality because of polished aluminum castings and bright red accessories.

Interstate Manufacturing Company (Compact)

1. Type of Distribution - House to house same as Electrolux except is more predominant on West Coast - does not have the coverage of Electrolux.

2. Length of Line - One model for $139.95. Accessories available such as spray attachment, vacation blind cleaner, scalp massager, dehumidifier, etc.

3. Position in Market - Estimated annual sales of 150,000 to 175,000 - 3 to 5% of market.

4. Description of Line - Model is of canister type of die cast aluminum, simple construction with disposable paper bag. Has Lamb Electric motor same as our line and a standard set of attachments consisting of (1) combination carpet and smooth floor nozzle, (2) dusting brush, (3) upholstery nozzle, (4) crevice tool, (5) spray attachment and (6) scalp massager.

They sell lightweight (13 pound), rug cleaner and use identical tactics of Electrolux by thoroughly selling the customer on what she needs and selling quick service and satisfaction.

WESTINGHOUSE

1. Type of Distribution - Housewares and small appliance division of factory branches.

2. Length of Line - Five models of canisters - all off of same basic tooling.

3. Position in Market - Number 8 (Including Montgomery Ward). Estimated annual sales of 100,000 units.

4. Description of Line - Canisters of steel construction, have disposable bags. Tooling four years old. Simple construction. Westinghouse motor. Differences secured by color, trim, attachments. Top model has air driven brush purchased from PRECO.

SEARS

1. Type of Distribution - Mail order and through stores. Store selling is specialty selling ... with good salesmen and high commissions. Unlike other appliances, Sears sells their cleaners for as high or higher prices than major brand competition.

2. Length of Line - One leader canister made by Kingston, 4 canisters and 3 uprights made by Whirlpool. Also purchase broom-type cleaner and floor polishers from Regina.

3. Position in Market - Number 5. Approximately 250,000 per year ... about 90% canister and 10% upright.

4. Description of Line - Canister power units and attachments are sold individually to Sears. In that way they can combine any unit with any set of attachments to offer the consumer a wide choice of cleaners. They offer pricing in $10 steps from $29.95 to $139.95.

Sears becomes very unhappy if RCA WHIRLPOOL product is retailed for less than the Sears product manufactured by Whirlpool. For this reason, we understand it has been decided that the RCA WHIRLPOOL brand should have retail prices that are comparable to Sears.

Our challenge then ... "Can we sell cleaners in volume at high retail prices ... and if so, how?"

But let's first get some background on our line ... and then competition.

RCA WHIRLPOOL

MODEL BREAKDOWN

SALES TO DEALERS - 10 MONTHS, 1961

HV-50	10,478	26.1%	65.1% low end
G-60	7,265	18.1%	
HV-65	8,395	20.9%	
F-9010	4,469	11.1%	
F-9020	8,845	22.0%	
Others		1.7%	
		100.0%	

Based on regular distributor costs plus approximately 14% for distributor and 25% for dealers, our average retail price ... $55.65.

Industry average ... $94.00. (Low to Low)

We understand our % of low end business about the same as G. E., Westinghouse, etc.

WHIRLPOOL MAJOR UP CLEANERS

Philadelphia, Little Rock, Pittsburgh, New York
Newark, Kansas City, Jackson, Seattle, St. Louis
San Francisco, New Orleans, Spokane, Huntington

MODEL NUMBER	DISTRIBUTOR COST	DEALER COSTS
HV-50	24.97	29.92 to 33.00
C-60	24.97	29.96 to 37.46
HV-65	30.97	35.50 to 41.50
F-9010	39.97	46.00 to 53.90
F-9020	56.97	65.97 to 75.96

Note: Dealer costs taken from distributor published price lists. Minimum price for quantity orders.

Dealer cost on the previous page vary widely ... and so do distributor margins. Some of these distributors appear to be making up to 26% gross profit on cleaners ... far more than they should.

The situation is further aggravated when we look at the next page and see how much special money has been given to some of our larger and more important markets. These special funds were necessary to either make the distributor competitive or gain his attention on the product.

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VACUUM CLEANER ANALYSIS OF SPECIAL CREDITS & FUNDS

18 Months January 1, 1960 through June 30, 1961

Top 10 Distributors...6 Months, 1961 Quota Performance Report

DISTRIBUTOR	UNITS PURCHASED	$ BILLED	AVERAGE BILLING PRICE	SPECIAL PRICING	SPECIAL FUNDS	TOTAL ALLOWANCES	% BILLINGS
Syracuse	1,567	$55,558	$35.50	$4,005	$ 325	$ 4,330	7.8
Memphis	419	11,702	27.90	491	1,480	1,971	16.8
Atlanta	1,604	46,980	29.30	4,804	925	5,729	12.2
Newark	2,222	78,965	35.50	7,804	6,463	14,267	18.0
San Diago	352	13,395	38.00	7	405	412	3.1
Knoxville	412	14,942	36.30	110	230	340	2.3
Oklahoma City	402	14,701	36.60	1,247	400	1,647	11.2
Baltimore	2,397	62,862	26.20	19,645	12,649	32,294	51.4
Chattanooga	306	11,551	37.90	--	250	250	2.2
Richmond	267	9,222	34.50	--	409	409	4.4
Other Volume Distributors							
New York	11,952	373,234	31.20	52,231	21,262	73,493	19.7
Chicago	4,954	186,901	37.60	11,133	10,144	21,277	11.8
Los Angeles	5,790	200,250	35.00	22,653	3,325	25,978	12.8
Philadelphia	3,276	102,923	31.50	13,496	14,252	27,748	27.0
Pittsburgh	2,775	85,669	31.20	7,585	9,800	17,385	20.0
Cambridge	2,362	74,749	31.60	10,222	5,550	15,772	21.1
San Francisco	2,228	81,232	36.50	3,802	3,500	7,302	9.0
Providence	1,119	30,329	27.10	3,693	4,143	7,836	25.8

SOURCES: Gross Billing Report (units & dollars), Allowance Report (3100 accounts), Central Claims Special Fund Files,

PROFIT AND LOSS PROJECTION FOR 1961

RCA WHIRLPOOL VACUUM CLEANERS

Sales	$1,280,000.00
Loss	(337,000.00)
Units	40,525.00
Loss per Unit	8.32
Average Billing Price	31.59

1961 HOME CLEANER PRICING AND COSTING

	HV - 50	HV - 65	F-9010	F-9020
Base cost	20.67	23.47	30.10	41.46
Maintenance Tooling	.07	.07	.08	.12
Development Engineering	.88	1.02	1.32	1.89
Factory Warranty	.76	.76	.98	1.42
Factory Cost	22.38	25.32	32.48	44.89
Administrative	.60	.69	.89	1.28
Basic Research	.18	.21	.27	.39
Warehousing	.53	.53	.53	.53
Line Tooling	-	-	-	-
Selling and Advertising	12.60	14.53	18.86	27.01
Manufacturing Cost	36.29	41.28	53.03	74.10
Profit	(10.36)	(11.39)	(14.23)	(18.53)
Sales Value	25.93	29.89	38.80	55.57
Prepaid freight	1.04	1.08	1.17	1.40
Excise tax	-	-	-	-
Billing Price	26.97	30.97	39.97	56.97

We recently sold about 17,500 cleaners to dealers in the 24 hour period.

In order to do this, Gene Neff made special deals with the majority of our distributors.

The average deal reduced our prices by the following:

HV-50	$6.97
HV-65	5.97
F-9010	9.97
F-9020	11.97

These additional allowances were not included in the profit and loss projection previously shown. These additional deals should run our projected loss up to between $425,000 and $450,000.

Current pricing is shown on the next page allowing 14% for the distributor and about 25% for the dealer.

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CURRENT RCA WHIRLPOOL PRICING

	Distributor Cost	Dealer Cost	Retail
HV-50			
regular	$26.97	$31.36	$39.95
current	$20.00	$23.26	$29.95
HV-65			
regular	30.97	36.00	49.95
current	25.00	29.07	39.95
F-9010			
regular	39.97	46.47	59.95
current	30.00	34.88	45.95
F-9020			
regular	56.97	66.25	89.95
current	45.00	52.33	69.95

CURRENT AVAILABILITY CONDITION

... AFTER OCTOBER 4th BLITZ

(INCLUDING SCHEDULED PRODUCTION)

	Orders	Inventory	Production	Balance
HV-50	2,455	122	1,500	-833
HV-65	1,336	185	1,130	- 21
F9010	1,051	384	825	158
F9020	583	839	1,000	1,256

Pilot models of new line scheduled for December ... production in January.

(Can produce 1,000 more HV-50 in late December.)

COSTS OF PRESENT LINE

vs

1962 LINE

4th Quarter - 1961

	Model MV-50	Model MV-65	Model 9010	Model 9020
Base Cost	$ 20.67	$ 23.47	$ 30.10	$ 41.46

Estimated 1962

	Model MV-50	Model SMV-65	Model SMV-80	Model SMV-90
Base Cost	$ 20.67	$ 20.63	$ 23.70	$ 36.56

RLB:kk
10/12/61

1962 HOME CLEANER PRICING & COSTING

	Model HV-50		Model SJV-55		Model SJV-60		Model SJV-90		Total
Volume	10,000		10,000		4,000		12,000		$ 36,000
Base Cost	20.57		20.63		23.70		36.56		
Maintenance Tooling	.13		.17		.17		.20		6,080
Development	.23		.23		.23		.34		9,600
Warranty	.40		.40		.40		.70		18,000
Factory Cost	21.33		21.43		24.50		37.80		
Administration 2.6% Research .3%	.88		1.04		1.19		1.80		45,500
Warehousing	.47		.47		.47		.47		
Tooling 2.6%	.68		.81		.91		1.40		35,100
S & A 24.0%	6.25		7.44		8.40		12.91		325,600
Mfr. Cost	29.61		31.19		35.47		54.38		
Profit	(3.65)		(.19)		(.47)		(.58)		(47,248) Lo
Sales Value	25.96	260,000	31.00	310,000	35.00	140,000	53.80	645,000	1,355,000 Vo
Freight	1.04		1.00		1.00		1.20		
Billing Price	27.00		32.00		36.00		55.00		
Suggested List	38.88		49.95		69.95		99.95		

RIB:kk
7/20/61

Total	
$ 36,000	
6,080	
9,600	
18,000	
45,500	
35,000	E152
325,600	
(47,248)	Loss
1,355,000	Volume

On the following pages we have tried to compare pricing for the 1962 line as needed to uphold Sears pricing against other major brands.

Generally speaking, our product compares satisfactorily but our pricing is considerably higher than competitions.

x Our Advantage
* Their Advantage

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COMPARISON OF ADVERTISING LEADERS

	GENERAL ELECTRIC C-62	WESTINGHOUSE WH-1	EUREKA 800	WHIRLPOOL HV-50
pe	Round	Round	Round	Rectangular
[illegible]	x 16 Lbs.	* 13 Lbs.	x 15 Lbs.	14 1/2 Lbs.
rial	Steel	Steel	Steel	Steel
ght	x 13"	x 11 1/2"	x 13"	8"
ner	13"	13"	15"	-
Length				13"x 16 1/2"
gable Bag	Yes	Yes	Yes	Yes
on End	x No	x No	x No	Yes
	x No	x No	x No	Yes
r (Make)	G.E.	Westinghouse	Lamb	Lamb
r (Size)	2-Fan	2-Fan	2-Fan	2-Fan
of Cord				12 Ft.
Storage	No	No	No	No
Storage	No	No	No	No
Control	* Yes	* Yes	* Yes	No
(Type)	Toggle	Toggle	Toggle	Toggle
Material	Braided Polyethylene	Vinyl	Braided Polyethylene	Braided Polyethylene
aterial	Steel	Aluminum	Steel	Steel
Locking	* Lock	Friction	Friction	Friction
zzle	* Yes	* Yes	* Yes	Yes(Plastic)
Wall Brush	No	No	No	No
ing Brush	Yes	Yes	Yes	Yes
lstery Tool	Yes	Yes	Yes	Yes
Tool	* Yes	* Yes	* Yes	No
Attachments				
utor Cost				26.97
er Cost	25.64 to 26.11	21.00 to 24.00	Not Available	30.00
ison:	4 x 4 *	3 x 4 *	4 x 3 *	
	approx. $3.66 higher	approx. $7.50 higher		

Even Eureka's next model under-sells HV-50

	G. E. C-9	Westinghouse PC-4	Eureka 702	Whirlpool SJV-55
Shape	Round	Round	Oval	Retangular
Weight	x 16#	13#	12½#	12½#
Material	Steel	Steel	Steel	Plastic
Height	x 13"	x 11½"	x 10"	8½"
Diameter	13"	13"	-	-
Width & Length	-	-	12 X 14	11 X 16½
Disposable Bag	Yes	Yes	Yes	Yes
Stands on End	x No	x No	x No	Yes
Wheels	Yes	Yes	Yes	Yes
Motor (make)	G. E.	Westinghouse	Lamb	Lamb
Motor (size)	2-fan	2-fan	2-fan	2-fan
Length of Cord	* 20 Ft.	* 20 Ft.	* 20 Ft.	16 Ft.
Cord Storage	Around cleaner	Around cleaner	* On handle	No
Tool Storage	No	No	No	No
Suction Control	Yes	Yes	Yes	Yes
Switch (type)	Toggle	Toggle	Toggle	Toggle
Hose Material	x Braided Polyethylene	x Vinyl	x Braided Polyethylene	Polyurethane
Wand Material	Steel	Aluminum	Steel	Steel
Wand Locking	* Positive	Friction	Friction	Friction
Rug Nozzle	Yes (Plastic)	Yes (Plastic)	* Plastic & Steel	Yes (Plastic)
Floor & Wall Brush	No	No	No	No
Dusting Brush	Yes	Yes	Yes	Yes
Upholstery Tool	Yes	Yes	Yes	Yes
Crevice Tool	* Yes	* Yes	* Yes	Yes
Other Attachments	No	No	No	No
Distributor Cost	30.42			32.00
Dealer Cost	31.62 to 34.97	31.84	27.50 to 28.00	35.55
Comparison:	4 x 3 *	3X 2 *	3 x 4 *	
	$2.26 higher	$3.71 higher	$7.80 higher	

$1.78 higher $5.25 higher $3.28 higher $1.30 higher

	G. E. C-8	Westinghouse SC-4 VC-20	Eureka 880-A 980-A	Hoover 86 88	Whirlpool SJV-60
Shape	Round	Round	Round	spherical	Oval
Weight	x 16#	x 13#	x 18#	x 14½#	12½#
Material	Steel	Steel	Steel	Steel	Plastic
Height	x 13"	x 11½"	x 15½"	x 13"	8½"
Diameter	13"	13"	15"	15"	
Width & Length	-	-	-	-	11" X 16½"
Disposable Bag	Yes	Yes	Yes	Yes	Yes
Stands on End	x No	x No	x No	x No	Yes
Wheels	Yes	Yes	Yes	No	Yes
				* Floats on Air	
Motor (make	G. E.	Westinghouse	Lamb	Hoover	Lamb
Motor (size)	2-fan	2-fan	2-fan	2-fan	2-fan
Length of Cord	20 Ft.	20 Ft.	20 Ft.	x 19 Ft.	20 Ft.
Cord Storage	around cleaner	around cleaner	around cleaner	around cleaner	around cleaner
Tool Storage	x No	* Clip on cleaner	Plastic bag	* Clip on cleaner	Caddy
Suction Control	Yes	Yes	Yes	Yes	Yes
Switch (type)	* on-off step on	Toggle	* on-off step on	Toggle	Toggle
Hose Material	x Braided Polyetylene	Polyurethane	x Braided Nylon	* Stretch Vinyl	Polyuretane
Wand Material	Steel	Aluminum	Steel	Aluminum	Steel
Wand Locking	Positive	Positive	x Friction	* Telescoping	Positive
Rug Nozzle	x Yes Plastic	x Yes Plastic	x Plastic & Steel	x Plastic	Aluminum
Floor & Wall Brush	x No	x No	Yes	x No	Yes
Dusting Brush	Yes	Yes	Yes	Yes	Yes
Upholstery Nozzle	Yes	Yes	Yes	Yes	Yes
Crevice Tool	Yes	Yes	Yes	Yes	Yes
Other Attachments			* Vibrator Nozzle		
Distributor Cost					36.00
Dealer Cost	40.47	37.00	34.97 to 42.97	34.00 to 47.90	42.25

	G. E. C-100	Westinghouse RC-4 VC-30	Eureka 1010 1020A	Sunbeam 630	Whirlpool SJV-90
Shape	Round	Round	Flat Oval	Flat Round	Oval
Weight	x	x 13⅓#	x 17#	x	12½#
Material	Steel	Steel	Steel	Steel	Plastic
Height	x 13"	x 11½"	8½"	* 7½"	8½"
Diameter	13"	13"	-	14½"	-
Width & Length			13 X 20		11 X16½
Disposable Bag	Yes	Yes	* Yes Very Large	* Yes Large	Yes
Stands on End	x No	x No	Yes	Yes	Yes
Wheels	Yes	Yes	Yes	Yes	Yes
Motor (Make)	G.E.	Westinghouse	Lamb	Sunbeam	Lamb
Motor (size)	2-fan	2-fan	2-fan	* 2-fan 1½ H.P.	2-fan
Length of Cord	20 Ft.	20 Ft.	20 Ft.	x 18 Ft.	20 Ft.
Cord Storage	x around cleaner	x around cleaner	x around cleaner	on cleaner	on cleaner
Tool Storage	x None	* Clip-on	Caddy	* Plastic Bag	Caddy
Suction Control	Yes	Yes	Yes	Yes	Yes
Switch (type)	on-off step on	x Toggle	on-off step on	on-off step on	on-off step on
Hose Material	x Braided Polyethylene	Polyurethane	x Braided Nylon	x Vinyl & Nylon	Polyurethane
Wand Material	Steel	Steel	Steel	Steel	Steel
Wand Locking	Positive	Positive	x Friction	* Positive	Positive
Rug Nozzle	-	-	Plastic & Steel	Die Cast	-
Floor & Wall Brush	Yes	Yes	Yes	Yes	Yes
Dusting Brush	Yes	Yes	Yes	Yes	Yes
Upholstery Nozzle	Yes	Yes	Yes	Yes	Yes
Crevice Tool	Yes	Yes	Yes	Yes	Yes
Other Attachments	Motor Driven Brush	x Air Driven Brush	x Vibrator Nozzle	x Air Driven Brush	Motor Driven Brush
Distributor Cost	57.83			49.28	
Dealer Cost	66.47	47.20-49.97	43.00 to 53.00	58.97	55.00
Comparison:	6 x 0 * $3.22 lower	6 x 1 * $14.20 higher	5 x 1 * $15.25 higher	4 x 5 * $4.28 higher	63.25

Most of our distributors show no interest in selling cleaners. Their salesmen can spend the same amount of time selling major appliances and earn more money for themselves and their distributorship but major appliances carry a higher price per unit.

However the next page shows the list of our distributors who were handling cleaners in June of 1956. Undoubtedly a portion of these distributors would exhibit a desire to re-enter the cleaner business if we no longer could supply them with cleaners.

VACUUM CLEANER BRANDS HANDLED BY WHIRLPOOL DISTRIBUTORS (DISTRIBUTOR SURVEY - JUNE, 1956)

DISTRIBUTOR	BRAND NAME
Morris Dist., Syracuse	Lewyt
Morris Dist., Binghamton	Lewyt
Southern Wholesalers, Washington	Universal
West Michigan Elec. Co., Benton Harbor	Westinghouse
RCA Victor Dist. Corp., Buffalo	Eureka
Keith-Simmons, Nashville	Royal
Raymond Rosen, Philadelphia	Lewyt
R. T. A. Dist., Albany	Lewyt
McClung Appl., Knoxville	Universal
Burden-Bryant, Springfield	Universal
Taylor Elec. Co., Milwaukee	Lewyt
Commercial Dist., Portland, Me.	Universal
F. C. Hayer Co., Minneapolis	G. E. and Hoover
Interstate Elec. Co., Shreveport	Hamilton Beach
McDonald Bros., Memphis	Eureka
R. P. McDavid Co., Birmingham	Lewyt
Fidelity Elec. Co., Seattle	Lewyt
RCA Victor Dist. Corp., Kansas City	Eureka
Eastern Co., Cambridge	Eureka

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We are caught between two strong forces in the cleaner business.

1. Maintaining high retail prices that are compatible with Sears.

2. Meeting competitive prices that appear to be below our profit point.

There is no obvious answer to our problem. However, here are several proposals and objections for each proposal.

DON'T SELL A LINE THAT IS LIKE SEARS....

Objections....

Higher costs -- more losses

No common tooling with Sears, and therefore more tooling for Sears

Used this approach for 4 years...with no real success

Need for improved product in our line

HAVE MULTIPLE DISTRIBUTION....

Might set up houseware and small appliance jobbers to overcome our present distributor's lack of effort.

Objections....

Without competitive pricing, the jobbers could do no better than our present distributors. In fact, they wouldn't even be interested in the line.

Our distributors cover the major outlets for cleaners. Give them a workable program and they might well do the best job for us.

The proposal violates our present distribution policy...and should only be used as a last resort.

ESTABLISH A HOUSE TO HOUSE SELLING ORGANIZATION....

It's an ideal way to get high retail prices thru specialty selling.

We could either set up our own organization or sell to local door to door organizations.

Objections....

It would put us in competition with our present dealer organization.

It would be costly...and we have no experience in this highly specialized field.

USE POWER TACTICS WITH OUR PRESENT DISTRIBUTORS....

Give each distributor an allocation of cleaners and sell it with our high level pressure.

Objections....

Pressure tactics will have to be used with almost any program we come up with...but we still must have a program. Power tactics by themselves won't work on the long term.

We can't expect our distributors to sell without competitive prices. Even if they would sell cleaners at a loss, they would have to follow some other approach than pricing.

USE A "HIGH PROFIT" APPEAL TO THE DEALERS....

Fair trade the line where possible...Get distributors to keep prices up. Show the dealer how he can make a long margain with our line.

Objections....

While there are some objections to this approach, some variation of it may have to be used.

We will have to lower our prices some to create the long profit structure...and then hope that increased volume can offset the losses.

This type of approach will require more advertising and promotion than a straight price appeal.

It is a difficult approach...requiring a good deal of effort to get the dealer to try this approach. It is contrary to current merchandising trends.

SELL DIRECT TO VOLUME BUYERS....

By-pass the distributor in order to be sure we get effort where it will pay off the most. Let distributors continue selling small dealers, if possible (and perhaps giving the distributor an over-ride on the direct sales).

Objections....

The direct selling approach could not be based on price...which would undoubtedly be the strongest appeal to the volume buyer. With most volume buyers, they would use any price concession to lower retail prices.

Distribution would be difficult...going both direct and thru distributors. Volume buyers would want to buy other of our product direct.

SET UP A SEARS TYPE OPERATION IN VOLUME STORES....

This is a variation of the high profit appeal. Train and supply salespower for the store...creating specialty type selling in a high traffic store.

Retail prices would have to be equal to Sears... only slightly higher than other brand competition that might be on the sales floor...or maybe equal to other high priced competition.

Our new line might have to be alter slightly by adding a few more features to justify the higher prices. (The line is now designed for price and "off the shelf" selling.)

Such a program might work best if we had other products to fill out an "RCA WHIRLPOOL HOME CLEANING CENTER"...upright cleaners, floor polishers, broom-type uprights.

Objections....

Our prices would have to be altered to provide good margains and the oeher services to the dealer -- demonstrators, advertising, displays, promotions.

Program would hard and slow to set up... and there aren't many dealers in a market that have the volume to support such a program.

Difficult to support demonstraters on tank cleaners alone.

GET OUT OF THE BUSINESS

But according to John Platts' letter of July 19, it would cost the Corporation about $184,000 ... absorption of product engineering costs, development engineering costs, maintenance costs, line tooling, S & A, etc.

In addition, we would have to bill Sears for unabsorbed common tooling on the 1962 line.

1962 RCA WHIRLPOOL

VACUUM CLEANERS

COMMON WITH SEARS

Whirlpool Tooling	$ 17,390.00
Common with Sears	88,230.00
Total	$ 105,620.00

Whirlpool % of Common	21.2%
Sears %	78.8%
	100.0%

Tooling for Whirlpool	$ 17,398.00
Common	18,700.00 *
Total for Whirlpool (Based on 36,000 units)	$ 36,098.00

* In the event that we discontinued the cleaner business we would lose $17,398.00. Sears would be billed back the $18,700.00 common tooling.

E170

PX 190

Whirlpool FULL LINE NEWSLETTER

SPECIAL RELEASE October 14, 1964 SPECIAL RELEASE

Page Two

WHIRLPOOL PROMOTES STROOP, PRUSSING

Promotions of H. Thomas Stroop and Peter Prussing to new positions in the RCA Whirlpool Sales Division of Whirlpool Corporation were announced today by Jack Sparks, RCA Whirlpool Sales Vice President.

Stroop, former Manager of the Refrigeration Sales, has been named to a new position of General Manager of Merchandising. He will be responsible for advertising and sales promoti for all RCA Whirlpool home appliances, Sparks said, and will direct and coordinate sales programming with emphasis on the full-line concept. He will report to Jack Sparks.

Prussing, who has been a Director of Factory Refrigeration Sales at Evansville Division, succeeds Stroop as General Manager for RCA Whirlpool Refrigeration Sales. He will be located at the Administrative Center.

Since joining Whirlpool in 1955, Stroop has been Advertising and Sales Promotion Manager fo the Refrigeration Sales Division and the Kitchen Products Division.

Before joining the company, he had been Advertising and Sales Promotion Manager for the American Kitchens Division of AVCO with General Electric.

Stroop is a member of the advertising and sales promotion committees of the National Electrical Manufacturers Association and the Steel Kitchen Cabinet Manufacturers Associatio

Prussing joined Whirlpool in 1952 and served as Western Regional Sales Manager until 1961. He has served in various capacities in the factory sales of refrigeration products at the company's Evansville and St. Paul (Minn.) manufacturing divisions.

Before joining Whirlpool, Prussing had been Major Appliance District Manager for an electri firm. He is a graduate of Arizona State University and has completed graduate work at UCL and the University of Southern California.

SPECIAL RELEASE

SPECIAL RELEASE

SPECIAL RELEASE

E171

EXEMPT PERSONNEL APPRAISAL OF RECORD
INDIVIDUAL DEVELOPMENT PLAN

T. Stroop

General Manager Merchandising

J. Sparks B. Jolly

USA Industrial Valves

INDIVIDUAL DEVELOPMENT PLANS

OVERALL RATING PERFORMANCE PRESENT JOB	☐ OUTSTANDING ☒ MORE THAN SATISFACTORY ☐ SATISFACTORY ☐ MARGINAL
WITHIN 1 YEAR	AS REPLACEMENT FOR MES SUPVR. OR TO OTHER FIELD OF WORK
LONG RANGE	PROJECTED ULTIMATE LEVEL AND/OR AREA OF ASSIGNMENT

U 084

REVIEWED BY

See back of page for definitions.

OUTSTANDING

Sets high standards of performance and meets or exceeds them.

Raises his standards regularly.

Makes good plans and carries them out to attain higher standards.

Uses methods, managing skills and exercises personal skills and abilities with maximum effectiveness.

MORE THAN SATISFACTORY

Meets or exceeds standards.

Sometimes raises standards.

Makes plans and carries them out well.

Methods, managing skills and personal skills and ability obtain desired results without undue strain -- is making improvements in these areas.

SATISFACTORY

Meets most standards.

Standards adequate.

Can make plans to effectively correct causes of failure to meet standards.

Methods, managing skills and personal skills and abilities meet short-term needs.

Special help may be required occasionally but over-all job performance is steady and dependable.

MARGINAL

Fails to meet many of standards.

Unable to make plans for effectively correcting causes of failure to meet standards.

Methods, managing skills and personal attributes questionable -- Improvement is required over a reasonable period to be retained on the job.

OREC CORPORATION
PROJECTED UNIT SALES - BASED UPON ACTUAL 1971 SALES WITH NO GROWTH FACTOR THROUGH JUNE 14, 1976
1972 TO JUNE 14,1976

	Calendar Year 1971 Actual Units	Calendar Year 1972 Projected Units	Calendar Year 1973 Projected Units	Calendar Year 1974 Projected Units	Calendar Year 1975 Projected Units	Jan. 1, 1976 To June 14, 1976 Projected Units
MODEL CVR 2000	58,309	58,309	58,309	58,309	58,309	26,725
MODEL 33	13,938	13,938	13,938	13,938	13,938	6,388
SUB-TOTAL	72,247	72,247	72,247	72,247	72,247	33,113
MODEL CVR 3000	5,956	5,956	5,956	5,956	5,956	2,730
TOTAL UNIT SALES ACTUAL	78,203					
TOTAL UNIT SALES PROJECTED		78,203	78,203	78,203	78,203	35,843

ORECK CORPORATION
PROJECTED STATEMENT OF SALES
1972 - JUNE 14, 1976

193A

	December 1971 Price Per Unit	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1, 1976 To June 14, 1976	Totals
MODEL CVR 2000							
Sales	48.60	$2,833,817	$2,833,817	$2,833,817	$2,833,817	$1,298,835	$12,634,103
Cost of goods sold	28.94	1,687,462	1,687,462	1,687,462	1,687,462	773,422	7,523,270
GROSS PROFIT		1,146,355	1,146,355	1,146,355	1,146,355	525,413	5,110,833
MODEL 33							
Sales	65.00	905,970	905,970	905,970	905,970	415,220	4,039,100
Cost of goods sold	37.10	517,100	517,100	517,100	517,100	236,995	2,305,395
GROSS PROFIT		388,870	388,870	388,870	388,870	178,225	1,733,705
MODEL CVR 3000							
Sales	48.30	287,675	287,675	287,675	287,675	131,859	1,282,559
Cost of goods sold	30.17	179,693	179,693	179,693	179,693	82,364	801,136
GROSS PROFIT		107,982	107,982	107,982	107,982	49,495	481,423
TOTAL ALL MODELS							
Sales		4,027,462	4,027,462	4,027,462	4,027,462	1,845,914	17,955,762
Cost of goods sold		2,384,255	2,384,255	2,384,255	2,384,255	1,092,781	10,629,801
GROSS PROFIT		$1,643,207	$1,643,207	$1,643,207	$1,643,207	$ 753,133	$ 7,325,961

E174

ORECK CORPORATION
PROJECTED RESIDUAL SALES ON UNIT SALES
AFTER JANUARY 1, 1972
DUST BAGS PARTS AND ACCESSORIES
JANUARY 1, 1972 TO JUNE 14, 1976

193B

Calendar Year	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Total Projected Units Sold	Profit Per Unit	Total Profit
1973	78,203	-	-	-	78,203	$2.084	$ 162,975
1974	78,203	78,203	-	-	156,406	2.084	325,950
1975	78,203	78,203	78,203	-	234,609	2.084	488,925
January 1, to June 14, 1976	35,843	35,843	35,843	35,843	143,372	2.084	298,787
January 1, 1972 to June 14, 1976	270,452	192,249	114,046	35,843	612,590		$1,276,637

E175

ORECK CORPORATION
PROJECTED RESIDUAL SALES ON UNIT SALES
AFTER JANUARY 1, 1972
DUST BAGS PARTS AND ACCESSORIES
JUNE 15, 1976 TO JUNE 14,1986

193C

Calendar Year	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1,1976 To June 14,1976	Total Projected Units Sold	Profit Per Unit	Total Profit	Present Value 9% Discounted
June 15,1976 to December 31,1976	42,360	42,360	42,360	42,360	-	169,440	$2.084	$ 353,113	$ 337,322
1977	78,203	78,203	78,203	78,203	35,840	348,652	2.084	726,590	666,596
1978	78,203	78,203	78,203	78,203	35,840	348,652	2.084	726,590	611,556
1979	78,203	78,203	78,203	78,203	35,840	348,652	2.084	726,590	561,060
1980	78,203	78,203	78,203	78,203	35,840	348,652	2.084	726,590	514,735
1981	78,203	78,203	78,203	78,203	35,840	348,652	2.084	726,590	472,234
1982	78,203	78,203	78,203	78,203	35,840	348,652	2.084	726,590	433,241
1983	-	78,203	78,203	78,203	35,840	270,449	2.084	563,616	308,317
1984	-	-	78,203	78,203	35,840	192,246	2.084	400,641	201,068
1985	-	-	-	78,203	35,840	114,043	2.084	237,666	109,428
January 1, to June 14, 1986	-	-	-	-	16,425	16,425	2.084	34,230	14,459
June 15, 1976 to June 14, 1986	511,578	589,781	667,984	746,187	338,985	2,854,515		$5,948,806	$4,230,016

E176

ORECK CORPORATION
PROJECTED STATEMENT OF INCOME
1972 - JUNE 14,1976
BASED ON CONSTANT SALES OF 78,203 UNITS

193D

	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1, 1976 To June 14, 1976	Jan. 1, 1972 To June 14, 1976
TOTAL ALL MODELS:						
Sales	$4,027,462	$4,027,462	$4,027,462	$4,027,462	$1,845,914	$17,955,762
Cost of goods sold	2,384,255	2,384,255	2,384,255	2,384,255	1,092,781	10,629,801
GROSS PROFIT	1,643,207	1,643,207	1,643,207	1,643,207	753,133	7,325,961
OPERATING EXPENSES						
Direct mailings	1,565,352	1,565,352	1,565,352	1,565,352	717,448	6,978,856
Other sellings	80,500	80,500	80,500	80,500	37,000	359,000
General and administrative	211,000	211,000	211,000	211,000	96,708	940,708
TOTAL OPERATING EXPENSES	1,856,852	1,856,852	1,856,852	1,856,852	851,156	8,278,564
(Loss) before residual sales and income taxes	(213,645)	(213,645)	(213,645)	(213,645)	(98,023)	(952,603)
(Loss) per unit before residual sales and income taxes	(2.73)	(2.73)	(2.73)	(2.73)	(2.73)	(2.73)
PROFIT ON RESIDUAL SALES						
Sales prior to December 31, 1971	429,635	429,635	429,635	411,006	175,277	1,875,188
Sales after January 1, 1972	-	162,975	325,950	488,925	298,787	1,276,637
TOTAL PROFIT ON RESIDUAL SALES	429,635	592,610	755,585	899,931	474,064	3,151,825
PROJECTED NET INCOME BEFORE INCOME TAXES	$ 215,990	$ 378,965	$ 541,940	$ 686,286	$ 376,041	$ 2,199,222

E177

ORECK CORPORATION
PROJECTED RESIDUAL SALES ON ACTUAL UNIT SALES
AFTER JANUARY 1, 1972
DUST BAGS PARTS AND ACCESSORIES

193E

Calendar Year	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Total Projected Units Sold	Profit Per Unit	Total Profit
1973	27,602	-	-	-	27,602	$2.084	$ 57,523
1974	27,602	44,816	-	-	72,418	2.084	150,919
1975	27,602	44,816	57,871	-	130,289	2.084	271,522
Jan. 1,1976 - June 14, 1976	12,651	20,540	26,524	27,265	86,980	2.084	181,266
Jan. 1,1972 to June 14,1976	95,457	110,172	84,395	27,265	317,289		$661,230

E178

ORECK CORPORATION
PROJECTED RESIDUAL SALES ON ACTUAL UNIT SALES
AFTER JANUARY 1, 1972
DUST BAGS PARTS AND ACCESSORIES
JUNE 15, 1976 TO JUNE 14, 1986

193F

Calendar Year	Calendar Year 1972	Calendar Year 1973	Calendar Year 1974	Calendar Year 1975	Jan. 1,1976 To June 14,1976	Total Projected Units Sold	Profit Per Unit	Total Profit	Present Value 9% Discounted
June 15,1976 to Dec. 31,1976	14,951	24,275	31,347	32,222	-	102,795	$2.084	$ 214,225	$ 204,645
1977	27,602	44,816	57,871	59,487	28,496	218,272	2.084	454,879	417,320
1978	27,602	44,816	57,871	59,487	28,496	218,272	2.084	454,879	382,862
1979	27,602	44,816	57,871	59,487	28,496	218,272	2.084	454,879	351,250
1980	27,602	44,816	57,871	59,487	28,496	218,272	2.084	454,879	322,248
1981	27,602	44,816	57,871	59,487	28,496	218,272	2.084	454,879	295,640
1982	27,602	44,816	57,871	59,487	28,496	218,272	2.084	454,879	271,229
1983	-	44,816	57,871	59,487	28,496	190,670	2.084	397,356	217,367
1984	-	-	57,871	59,487	28,496	145,854	2.084	303,959	152,546
1985	-	-	-	59,487	28,496	87,983	2.084	183,356	84,422
Jan. 1, to June 14, 1986	-	-	-	-	13,060	13,060	2.084	27,217	11,467
June 15,1976 to June 14,1986	180,563	337,987	494,315	567,605	269,524	1,849,994		$3,855,387	$2,710,996

E179

ORECK CORPORATION
SUMMARY OF OPERATIONS
JULY 1, 1967 TO DECEMBER 31, 1971

193G

	Fiscal Year Ended June 30,1968	Fiscal Year Ended June 30,1969	Fiscal Year Ended June 30,1970	Fiscal Year Ended June 30,1971	Six Months Ended Dec. 31, 1971	Total July 1, 1967 To Dec. 31, 1971
Taxable income (loss)	$ 39,598	$ 81,611	$ 46,460	$ 23,186	$173,687	$364,542
Add back: List rental income	-	-	-	-	-	-
Net profit (loss) before list rental income	$ 39,598	$ 81,611	$ 46,460	$ 23,186	$173,687	$364,542
Compensation paid to David Oreck	$ 5,200	$ 12,000	$ 12,500	$ 12,500	$ -	$ 42,200

E180

ORECK CORPORATION
SUMMARY OF OPERATIONS
JANUARY 1, 1972 TO MAY 31, 1976

193H

	Six Months Ended June 30,1972	Fiscal Year Ended June 30,1973	Fiscal Year Ended June 30,1974	Fiscal Year Ended June 30,1975	Eleven Months Ended May 31,1976	Total Jan.1, 1972 To May 31,1976
Taxable income (loss)	($164,035)	($152,091)	($ 87,901)	$108,952	$ 48,430	($246,645)
Add back: list rental income	14,571	18,946	31,162	61,731	48,459	174,869
Net profit (loss) before list rental income	($178,606)	($171,037)	($119,063)	$ 47,221	($ 29)	($421,514)
Compensation paid to David Oreck	$ 12,500	$ -	$ -	$ 12,000	$ -	$ 24,500

E181

E182

DX F

Whirlpool
CORPORATION

ADMINISTRATIVE CENTER · BENTON HARBOR, MICHIGAN 49022

193H

JACK D. SPARKS
GROUP VICE PRESIDENT

June 27, 1968

Oreck Corporation
195 Shippan Avenue
Stamford, Connecticut 06901

Attention: Mr. David Oreck

Gentlemen:

Our agreement with you dated August 7, 1963, wherein your company was authorized to distribute RCA WHIRLPOOL home vacuum cleaners of the portable type, provides for an initial five-year term beginning not later than May 1, 1964. Our records show that the initial five-year term actually began March 13, 1964. The agreement provides that either party has the right to terminate our franchise relationship at the end of the initial five-year term by giving the other party written notice at least six months prior to the end of such initial term.

After giving serious and objective thought as to whether we should continue our agreement with you beyond the initial five-year term or exercise our right of termination under the agreement, we have decided that the agreement should be concluded at the end of its initial term. Therefore, this letter will serve as our notice to you under Paragraph 1 of the agreement that we do not choose to extend our agreement with you.

We shall be glad to work closely with you on any matters relating to the agreement requiring our joint attention.

Sincerely yours,

JDS/hv

Registered Air Mail
Return Receipt Requested
bcc: E. Gray
bcc: J. H. Platts
bcc: S. Sweet

E181

E183

Dx H

RECK CORPORATION

195 Shippan Avenue / Stamford, Connecticut 06902 / 203-324-3350
New York Phone / 212-295-8569
Exclusive National Distributor
Whirlpool *Cleaning Equipment*

August 23, 1968

RECEIVED
LAW DEPARTMENT
AUG 26 1968
Months
REVIEW 1 2 3
DESTROY 3 6 12
Permanent File

Mr. S. E. Sweet
Director, Residential & Commercial Products
Whirlpool Corporation,
Administrative Center
Benton Harbor
Michigan 49022

Dear Sol:

Pursuant to our conversation yesterday, I am setting forth my requests for a few changes in the August 1, 1968 distributor agreement which you sent to me.

(a) I would like the Products in paragraph 2 to be described as follows:

> "(i) Whirlpool Upright Vacuum Cleaner, present Model No.CVR 1000; and (ii) Attachment hose and electric powered brush and nozzle assembly, present Model No.AP 8 either of the Products to be with or without the Whirlpool name (costs for name change to be borne by you)."

I think that we should use the word "present" before the Model No. because from time to time we may choose to change the color or change the Model No. to suit market conditions. I am eliminating the reference to use of the attachment hose only with the Whirlpool Canister because even now you have given us a quotation for a quantity to a customer without the Whirlpool name, and perhaps in the future a quantity purchaser will want his name on the attachment hose or for that matter on the Upright (like the Hilton Hotels, for example, who have

Mr. S.E. Sweet
Whirlpool Corporation

August 23, 1968

just started to use the Upright, and other potential quantity users like Holiday Inns). Any expense to put on the customer's name would of course be borne by him.

(b) At the end of paragraph 3, I would like the production run to be 2,000 Model AP 8 units (the same as Model CVR 1000) rather than 5,000.

(c) In paragraph 4 the words "bearing the Whirlpool name" should be inserted after the word "Products" in two places.

(d) In paragraph 7 the warranty for other than domestic use should be 90 days instead of 30 days since that is common practice in the vacuum cleaner industry and with the exception of the LV 55 (the original Upright model), all Whirlpool vacuum cleaners we have been selling have had warranty periods of one year for domestic and 90 days for other than domestic in accordance with our earlier distributor agreement.

(e) In paragraph 8, I would like the last sentence to read as follows:

> 'Whirlpool shall bill you and you agree to pay such amount at the rate of one percent (1%) of the cost of all Products purchased by you under the terms of this Agreement until such amount is paid in full."

This procedure follows our original agreement.

All the rest of the agreement is fine. However, my attorney would like added at the end of the Now, therefore paragraph of the general release the following:

> "other than with respect to the agreement dated August 1, 1968 between Oreck and Whirlpool."

E185

Mr. S. E. Sweet
Whirlpool Corporation

August 23, 1968

I understand that you will be away during the coming week, but you assured me that there would be no problem with the August 31 deadline you mentioned in your letter of August 1.

I am returning the two copies of the August 1 agreement signed by Jack Sparks, so that you can use them if you want to substitute pages.

With kindest personal regards,

Cordially,

David Oreck
President

DO:ek

cc: Wm. Houseal

DxI

E186

January 22, 1968

Mr. David Oreck
President
McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana 70123

Dear Dave:

Thanks for taking the time to meet with me last Wednesday in Chicago.

A copy of my letter to John Payne dated January 18th covers the items he needs to know about that we concluded during our meeting. It was sent to you last Thursday.

In regard to your comments that you were going to add two salesmen and a sales manager to improve your vacuum cleaner sales program effort, I want to confirm our understanding to you that the addition of these people is entirely your own decision, and that under no circumstances does it mean that your franchise will automatically be extended beyond its present term.

We agreed to take a reading on July 1, 1968 as to your going (weekly sales) rate and discuss our decision with you at that time.

With all good wishes, I am

Sincerely yours,

S. E. Sweet
Director
Residential & Commercial Products

SES:fmg

DXJ

E187

February 21, 1968

Mr. David Oreck
McDonald Sales Corporation
5500 Jefferson Highway
New Orleans, Louisiana 70123

Dear Dave:

This will acknowledge receipt of your letter of February 14, 1968.

I'm sure you feel the background and experience of Messrs. Wiener and Garrett will help you achieve your sales objectives.

Ozite's endorsement and your accelerated advertising program we hope will also be helpful.

By the way, David, I saw your comments in your letter to Jack Sparks dated January 18, 1968 about how you feel you are now accomplishing one of your prime initial objectives--namely, establishing a new distribution channel which would not subject you to commercial pressures having to compete with other customers of Whirlpool.

My letter of January 22, 1968 to you, in which I commented on the additions to your sales force, apparently crossed in the mail with your January 18th letter to Jack. While it may not be necessary here, I want to re-emphasize the point I made to you in that January 22nd letter:

Your decision to add to your sales force at this time does not in any way alter our mutual understanding regarding a July 1, 1968 review by us of your performance and a subsequent discussion with you regarding your franchise.

With all good wishes, I am

Sincerely yours,

S. E. Sweet
Director
Residential & Commercial Products

SES/ew

cc: J. Sparks

E188

DEF WHP EX N

DXN

Telefax WESTERN UNION Telefax

SENDING BLANK

CALL LETTERS FJC 96 CHARGE TO

Oct. 18, 1971

Mr. David Oreck
McDonald Sales Corp.
500 River Rd.
New Orleans, La 70123

Just a note to advise that as of Oct. 12th we are approaching 17,000 vacuum clearers and attachments in our warehouse. Urgently need your shipping orders as forecasted. Crisis developing.

J.D. Payne

cc:Marshall Oreck

Send the above message, subject to the terms on back hereof, which are hereby agreed to

PLEASE TYPE OR WRITE PLAINLY WITHIN BORDER—DO NOT FOLD

1269—(R 4-55)

ORECK CORPORATION E189

DLH

XL APPLIANCES
for Professional use

New Corporate Headquarters ORECK CORPORATION—World's Largest Seller of Top-Fill Uprights

IMPORTANT NOTICE TO MAINTENANCE ENGINEERS

Through the manufacturer's cooperation

We will send you a new XL appliance Direct from the Wholesaler

Gentlemen:

A remarkable hi-speed upright vacuum cleaner has been developed that is GUARANTEED to clean shags and indoor-outdoor carpets in a single stroke. It weighs only 8-3/4 lbs.!

The Waldorf Astoria, Americana, Regency, Ramada, Holiday Inns, Howard Johnson, and others, use the Top-Fill Upright and find it "remarkably effective".

This machine is effective on ALL CARPETS and will clean bare floors without attachments or adjustments. Top-Fill Upright efficiency, saves up to 50% of electrical consumption over other full size vacuums.

More than 200,000 Top-Fill uprights have been sold. The new XL 4000 has 50% more cleaning power and is warranteed 2 years.....twice as long as our previous models. Factory life tests conducted on the XL motor are equal to 17 years of average home use!

XL (Extended Life) appliances are not sold through appliance or department stores. They are distributed to hotels, schools and business institutions by the Janitorial Supply Wholesalers.

Each XL 4000 motor is individually balanced and test run for 4 hours.
To protect your carpets, only natural bristles are used in the revolving brush.
We know of no other vacuum built to such specifications.

As a Maintenance Engineer you may purchase for your personal use

direct from the wholesaler at $59.60 --- NOT FOR RESALE.

This price is guaranteed for 15 days only.

Send your check for $59.60 to the Oreck Corporation (Exclusive National Distributor). Delivery time, about 2 weeks or less. MASTER CHARGE, AMERICAN EXPRESS, BANK AMERICARD, CARTE BLANCHE and DINERS CLUB are acceptable.

We guarantee this vacuum to be the most effective you have ever used, or your money promptly refunded anytime within 30 days of purchase.

Sincerely yours,

D Oreck

David Oreck, President

NOTE: ON ORDERS FOR 2 OR MORE YOU EARN AN EXTRA 10% DISCOUNT. SEE SPECIAL ORDER FORM.

100 Plantation Road • New Orleans, Louisiana 70123 • (504) 733-8761

E190

® XL 4000 HIGH SPEED UPRIGHT

WEIGHS 8¾ LBS.

RUG & FLOOR HI-SPEED ELECTRIC VACUUM CLEANER

DESIGNED FOR SHAGS AND KITCHEN CARPET

XL 4000

A UNIQUE HIGH-SUCTION CLEANING INSTRUMENT

For Motel and Home use, Heavy Duty.
High Speed Revolving Brush Cleans ALL Carpets and Bare Floors, without Attachments.
Weighs 8¾ lbs. X-tended Life 2 Year Guarantee.

Keeps Carpets Bright and Clean.

A New High Suction Vacuum Cleaner for Carpets and bare floors. Almost twice the suction of our previous upright. . . . and the Bag fills from the top. Air-flow System and High-Speed revolving brush whisks dirt up the handle and drops it into a Job-Size Disposable Bag. Maximum Suction and superior "clean-ability" is the result.

STRONG: Hi-Impact Construction. Built to last.

FAST: Extended Life High Speed motor with load 16,500 RPM • Radio-TV Suppressed • Brush speed 4600 RPM. Combined with more powerful suction, does a "Great Job" on Shags, Plush, Kitchen and Indoor-Outdoor Carpets • Rolls off rugs to brush clean bare floors, without tools or adjustments • Cleans effectively on **forward AND back strokes** • Picks up dog hairs, lint and threads, fast, in one stroke.

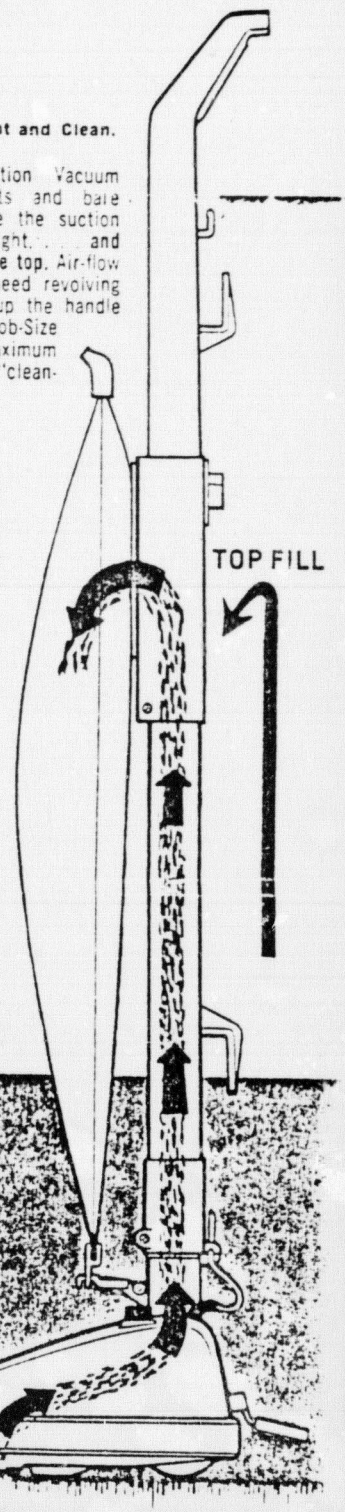
EASY: Maids "love it" • Fast and easy to use • Low Profile Cleaning Head and Bag, only 4½" high • Gets under low furniture, beds and desks • Brush-cleans hard-to-get at places everyday, instead of once a week.

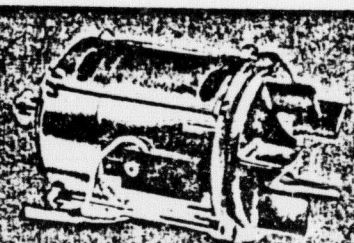
EFFECTIVE: Deep Cleans and restores brightness to those hard to clean carpets, runners and mats • Easily maintains small high traffic carpeted areas that must be vacuumed several times a day.

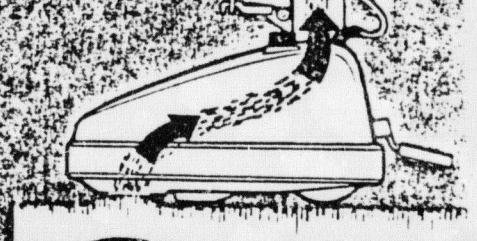
LARGEST CAPACITY: Holds the dust of 14 to 25 rooms and more, in a Job-sized Disposable Economical Dust Bag • A snap to remove and replace • Largest Capacity Dust Bag of any Lightweight upright we know of • Your hands never touch dirt.

LIGHTWEIGHT: Weighs 8¾ lbs. • Light enough to lift with 1 finger. Hangs on a hook flat against wall. Does the job of heavier machines but easier.

DO-IT-YOURSELF REPAIR: Has only 3 moving parts, in suction cleaning system • Motor snaps out without screws • Do-It-Yourself easy parts replacement . . . On Your Premises.







XTENDED LIFE MOTOR

Guaranteed TWICE as long. Manufactured exclusively for the XL 4000. Has double ball bearings and double insulation. Each motor is individually tested, balanced and run for 4 hours before installation in the cleaner. Factory Life Tests show motors last twice as long as our previous models. Guaranteed 2 full years in domestic use.

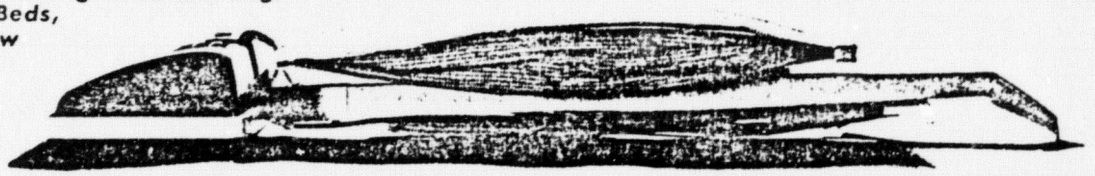
XL

E191

HIGH-SPEED SUCTION VACUUM CLEANER FOR CARPETS AND BARE FLOORS, DOUBLE INSULATED

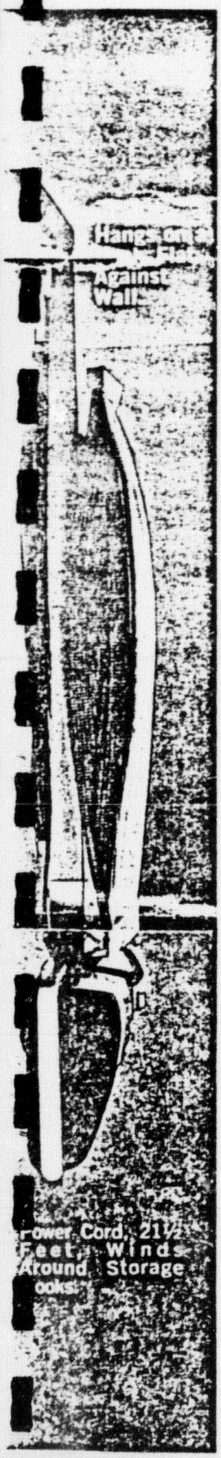
Low Profile Cleaning Head and Bag. Gets Under Beds, Desks and Low Furniture.

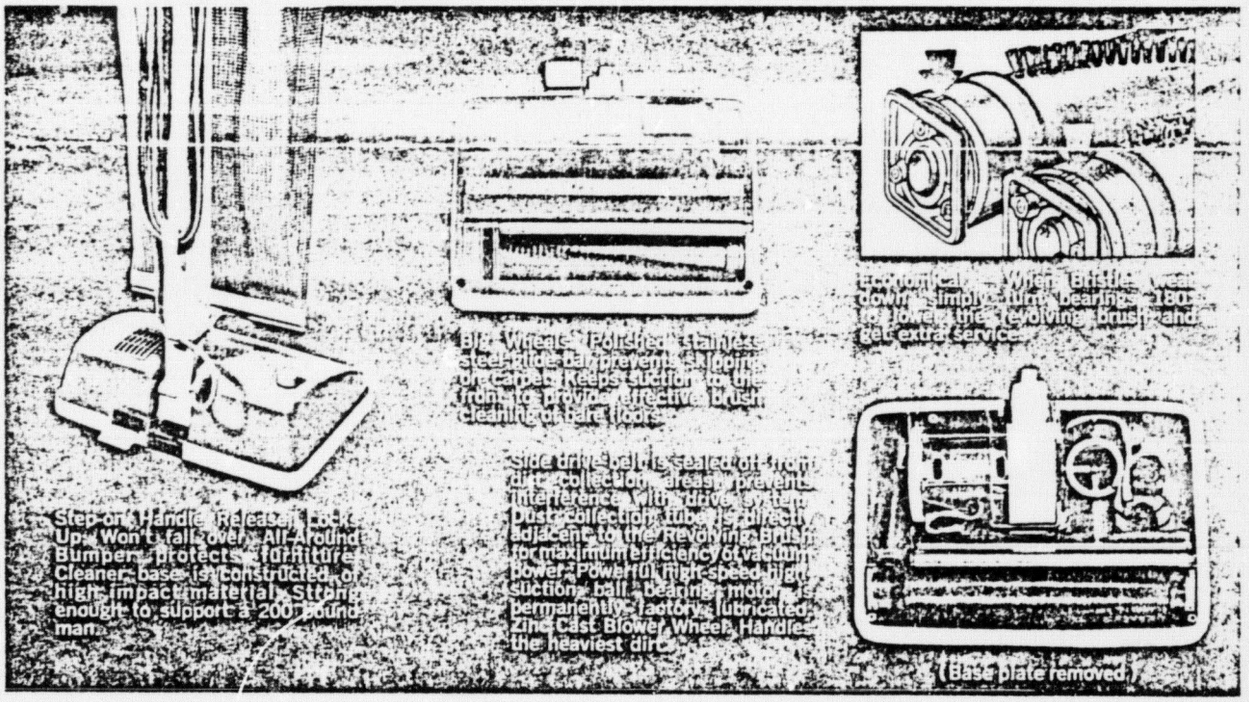
WEIGHS 8¾ LBS.



The Americana, Regency, Summit, Warwick, St. Moritz, Taft, Waldorf Astoria, Hilton Hotels, Ramada Inns and other fine institutions have all switched to Top Fill Uprights, because they are Light, Fast and Strong.

One purchasing agent of a large hotel chain says he is saving almost two thousand dollars a month in maintenance costs alone since replacing his old cleaners with Top Fill Uprights. Plus carpets are cleaner than ever before.





SPECIFICATIONS:

WEIGHT: 8¾ pounds.

HEIGHT: Over-all 40½".

POWER-HEAD: Width—12¾"; Height—4½", 2¾" leading edge. Self-adjusting to carpets and bare floors.

MOTOR: Precision designed Double-ball bearing motor, custom engineered 16,500 RPM with load. Die cast metal housing. High temperature insulation. Solid shaft, rotating on ball bearings. Factory lubricated for life. Internal air-cooling and motor cleaning fan device, with self-cleaning blades. Slide-out motor assembly and yoke, for easy service.

ELECTRICAL: 120 volt, 60 Hz A.C., 260 watts. On/off Toe switch. All electrical components Double Insulated for added safety.

RADIO TV SUPPRESSED: Cleaner will not interfere with Radio or TV in your home or your neighbors.

POWER CORD: 21½ feet long. Flexible heavy-duty jacketed, two-wire.

SEALING GASKETS: Coverplate sealing gaskets absorb shock, insulate, resist corrosive chemicals and abrasive contact. Provide effective seal against dust and suction loss.

AGITATION: High speed Natural Bristle brush, under load rotates approximately 4600 revolutions each minute. Self-aligning bearings may be rotated ½ turn, to extend bristle life. Nylon bearing with steel-sleeve-seal, protects revolving brush bearings from dirt build-up.

WHEELS: Wide, non-marking, squeakproof. Polished Stainless Steel Glide Bar: Prevents skipping on Carpet. Keeps suction to the front to provide effective brush cleaning of bare floors.

DRIVE BELT: Most Trouble Free because it's sealed off, from the dirt collection area. Eliminates "Center" dirt path.

EFFECTIVE DUST BAG CAPACITY: 270 cubic inches. Snap-On Snap-Off.

BAG COVER: Heavy Duty, Reinforced.

COLOR: Master Blue and Oyster White.

PACKING: One per Shipping Carton. Heavy Duty.

SHIPPING WEIGHT: 11 pounds.

PRICE GUIDE: $99.30

Specifications Subject to Change without notice.

2 YEAR XL WARRANTY

All parts found to be defective in material or workmanship, within 24 months of delivery to the purchaser, will be replaced or repaired, free of charge. This warranty applies to normal domestic use. The warranty for commercial use is for 6 months. See instruction booklet for further details.

National Sales Organization for XL Vacuum Cleaners

BRECK CORPORATION 18 Elmcroft Road, Stamford, Connecticut 06902

WEIGHS
3¾ LBS.

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ORDER 2 OR MORE AND
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10% DISCOUNT

ALLOW 2 WEEKS FOR DELIVERY

E192

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EARN AN EXTRA
10% DISCOUNT

MAINTENANCE ENGINEERS

92

As a Maintenance Engineer you may purchase for your persona use, at the Trade Price—not intended for resale. See attachec literature and order form for details.

ORDER FORM

Enclosed herewith is my check payable to ORECK Corporation, for the foliowing:

Quantity

Trade Price

— XL 4000 UPRIGHT CLEANER (Guide 99 3[illegible]) ea. $ 59.60 $

For Shipping, Handling and Insura[illegible]ce Add $3.90 Each

DEDUCT 10% IF 2 OR MORE XL 4000'S ARE ORDERED $

E193

USE IT FOR 30 DAYS. I understand that this SPECIAL PRICE OFFER is available for a limited time and that my money will be refunded immediately if I am not completely satisfied any time within 30 days of purchase.

TOTAL $

LOUISIANA RESIDENTS ADD SALES TAX $

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NOT FOR RESALE

Name .....

FOR SHIPPING, HANDLING AND INSURANCE ADD $

Address: .....

Do Not Use P.O. Box No.

City: ..... State ..... Zip: .....

TOTAL ENCLOSED $

Signature: .....

You may charge to:

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BankAmericard ☐ Master Charge ☐
Carte Blanche ☐

Card Expiration Date: MONTH YEAR

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Exclusive National Distributor
RCA Whirlpool Home Cleaning Systems

January 18, 1968

Mr. Jack Sparks
Whirlpool Corporation
Whirlpool Administrative Center
Benton Harbor, Michigan 49022

Dear Jack:

I'm so sorry that you were unable to make lunch yesterday. I know you would have if you could have.

I am pleased to report that after almost five years of back breaking work and tremendous losses, our company has moved from red ink to black. The reason - we now have an upright cleaner that works <u>well</u> and for the first time, we are receiving repeat orders from customers who ordered our new CVR600 and CVR1000 last November.

We are now accomplishing one of our prime initial objectives of establishing a <u>new</u> arm of distribution that does not compete, or conflict, with any of Whirlpool's present customers. Because of the solid progress we've made in the past several months, we are doubling our sales organization and accelerating our advertising and promotional activities.

After several months of working with the Ozite carpet people, we've been informed that they intend to endorse our machine as "particularly effective" on their carpet and advise all of their customers accordingly. They also propose to include our cleaner in their television commercials.

Notwithstanding the difficulties we've had, I do not believe Whirlpool has received 10 complaints on the 50,000 cleaners we've put out....because our men have followed up every user complaint with a repair, a replacement, or a refund.

Today, our units are in use from New York to Hawaii and from Alaska to Puerto Rico. I believe the months ahead will show significant progress.

Kindest personal regards,

David Oreck

DO:af